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6 February 1986

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REGIONAL AFFAIRS

MAGHREB COLLOQUIUM ON ORGANIZATION, TRANSFER OF INFORMATION

Tunis DIALOGUE in French 25 Nov 85 pp 74-75

[Text] Documentation for the press: the organization, use, and transfer of information is an important subject which was considered by the participants in the Maghrebian colloquium held from 11 to 14 November at the African Center for the Training of Journalists and Communicators. It was organized by the CDN, in collaboration with the ALECSO.

It is not difficult to bring together Maghrebian experts to talk about press documentation and the innumerable problems which this raises. However, on the other hand, what is difficult and even impossible is to prepare resolutions summarizing the work of these experts. However, we must admit, as one of the participants in the colloquium remarked, that we had to fight hard to accomplish that. In any case, the will is there. And the situation is even better than that, if only because the participants, by meeting, have been able to exchange their experiences and their points of view. Furthermore, relationships have been established for a more careful follow-up to this question.

This is because, as we must recognize, press documentation is for the users, whether they are journalists, researchers, or other persons. Documentation is the basis for any objective and worthwhile work which consequently has some value. Nevertheless, press documentation, however useful it may be, raises many problems. These were discussed, both in the papers presented by participants at the colloquium and during the debates, which were considered valuable and instructive.

Four principal lines of activity were broadly studied: the present situation affecting documentation centers in the press and information media and in documentation centers; manual techniques and the new technologies used in press documentation; and the users of press documentation and the tools for Maghrebian cooperation in the area of press documentation.

The Moroccan, Mauritanian, and Algerian statements made at the colloquium made it possible to know the situation affecting press documentation in each one of these countries. Within the framework of the Maghreb as a whole, Morocco is the most advanced country in this respect. In Tunisia, on the other hand, the majority of press organs have no documentation unit. Although some publications have press documentation units, these are non operational, for the most part. Therefore, although documentary techniques are still rather archaic in form, automatized documentation has already made its entry and is on an equal footing throughout the world. These new technologies require the retraining of personnel and the training of specialists. However, none of this is necessary or even useful, if the potential user of the press documentation service remains unaware of it.

The existence of studies and sociological or psycho-sociological research has not led to the development of healthy and fruitful relations between specialists in the handling of documentation and the users of such services. Certain participants in the colloquium even commented that these relations are often tense and difficult. Why should this be? What are the causes? One of the papers presented sought to define the psychological obstacles which prevented users from making use of press documentation. In effect, the psychological aspect (behavior and motivation) determines any action aimed at promoting access to and use of press documentation.

Every article and all written work, if sufficiently documented, can have reference value. To be convinced of this, it is necessary to be aware of it.

Although it is easy for any journalist to become convinced of the importance of documentary work, it is difficult or even impossible in some cases, on the other hand, to carry out in practice what constitutes an "ideal" for the reporter. Why? Several obstacles, in effect, hamper turning this ideal into a tangible reality: professional inadequacies, the loss of interest and objectivity, the absence of motivation for making use of press documentation, and the lack of organization and resources. These are the more or less objective reasons which, consciously or unconsciously, prevent users from having access to press documentation.

First of all, we should note that there are no specialists in press documentation. The information media which already have the services of a documentation system, or are in the process of obtaining one, often employ unqualified or non operational documentation specialists, since they have no training in the media. As a result of this fact, the pay system applied to this group of documentation specialists is of no interest to the journalists and at times leads to a considerable waste of time and, consequently, has a negative effect on the motivations of the users. Moreover, the journalists are not very well paid. This may result in the journalists having no motive or interest in using documentation services. In this case the loss of interest and objectivity among the journalists creates a very serious problem since it leads to the reverse of what we may generally expect from the press.

The participants in the colloquium agreed that improvements in the pay and conditions for journalists and the establishment around them of a favorable environment are likely to strengthen their morale and give them reasons for thinking of their functions much more seriously. This will naturally lead them to value what they are writing more highly, that is, providing their articles with reference value by regularly making use of press documentation.

For their part the information media devote an insignificant proportion of their budgets to press documentation. There are several reasons for this. In most cases these publications begin a documentation project. After a certain amount of time has passed, they see that it is not being used and, therefore, that it is not profitable. Then they either abandon the project or else leave it half completed, often without trying to find out the cause. There are many reasons why these resources are not used.

Other publications do not even bother to set up the core of a press documentation system because they think, quite simply, that it is up to the journalists to do what they can with the many sources of documentation.

Elsewhere, the absence of any organization of documentation hampers any interest in obtaining access to press documentation. For example, these include the lack of documentation files in publication offices, the fact that existing files cannot be effectively used, the absence of continuous work in this area, the lack of documentary objectivity (that is, reliable files), the lack of a free flow of information between publications, etc.

The participants in the colloquium recognized that the relationship between the documentation specialist and the user must be very good before other, cooperative relationships are established in this area, such as setting up a press documentation network for the Maghreb, although this is necessary and important. According to one of the recommendations made by the colloquium, the various publications should therefore consider providing themselves with documentation units. If that is done, the colloquium will have served a useful purpose.

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ALGERIA

DECENTRALIZATION OF BANKING SYSTEM, NEW APPOINTMENTS

Relations Between Banks, Enterprises

Algiers EL MOUDJAHID in French 12 Nov 85 Economie pp I-II

[Text] The banks have long since decentralized the handling of operations entrusted to them by economic operators. Out of the same concern for better rapprochement with the latter, the banks have also decentralized the financing of enterprises and the management of their foreign trade operations.

That process has often been accompanied by the establishment of bank branches within the enterprises themselves.

Despite that, the enterprises are continuing to talk about an absence of decentralization in the banking sector. Actually, their criticism is concerned essentially with three basic points: the application of foreign exchange controls, the procedure for financing business operations, and control of investment spending.

The situation has often caused a lack of understanding between the banks, which are responsible for seeing that the rules are enforced, and the enterprises, which are concerned to improve their performance.

Foreign Exchange Control

Until 1 January 1985, which is when Decisions No 19 and No 20 took effect and, among other things, made the directors of financial coordination responsible for issuing transfer authorizations in connection with foreign contracts, those authorizations had been issued, in the case of government departments and local communities, by the Directorate for Foreign Exchange Control in the Ministry of Finance and, in the case of national and local enterprises, by the banks. In the case of the banks, contracts were examined by central departments, which also issued the related transfer authorizations through special departments, while their financial management had already been entrusted to the bank branches for years.

Centralized decisionmaking was explained in part by the fact that it was necessary to separate decisionmaking and management, since the bank branch

ought not to be both "judge and judged," and also by the lack of training on the part of personnel.

That centralization did not sit well with the state's economic operators, who regarded the situation as bureaucratic in that every time there was a problem, they were obliged to travel to the capital to provide explanations or the necessary documents for examination of their contracts. This was as true of the banks as it was of the Ministry of Finance.

In the case of the banks, the criticism has grown stronger with the organic restructuring of enterprises, which is resulting in a distribution throughout the national territory of decisionmaking centers in national enterprises.

As long as the enterprises were headquartered in Algiers, they saw no drawbacks to dealing with departments at bank headquarters. But as soon as the headquarters of enterprises were moved into the country's interior, criticism of the banks increased, although without being clear.

For example, officials in decentralized enterprises sometimes feel that at the bank branches they have no valid interlocutors capable of solving their problems, and sometimes they feel that the delays in getting a decision are the cause of blockages harmful to their development.

What the enterprises actually wanted was the possibility of having decisions related to foreign exchange controls made locally. The same was desired by local authorities, not only for themselves but also for the enterprises under their supervision.

Decisions No 19 and No 20 were issued to satisfy that desire and should remove the grounds for criticism by the state's economic operators concerning the lack of decentralization in banking and the administration of finance, since they oblige the banks to transfer the examination of contracts to their branches at the governorate level, and authorizations are now issued by the director of financial coordination in most cases.

But that decentralization is bound to cause a number of problems that may work against vigilant foreign exchange control.

In the first place, there is the lack of trained personnel for that purpose. Some bank branches, notably those in the new governorates, had never previously even had to manage foreign contracts.

Personnel training has already begun, but it will certainly be inadequate, at least in the beginning, considering the variety of contracts to be examined. It is to be hoped that experience will do the rest.

In the second place, there will be the problem of securing uniformity in the examination of dossiers. Identical contracts examined in two different bank branches may give rise to different comments.



Lastly, the neutrality of the financial departments (bank branches and DFC's) is likely to be demolished, especially when it is a matter of examining and authorizing contracts by local state enterprises and enterprises run by local governments.

### Financing Business Operations

While the problem of decentralized foreign exchange controls can be regarded as solved, the problems being posed at the banking level by the financing of enterprise operations remain in their entirety, and they have become more complicated by the assumption of responsibility for settling unpaid receivables and by the dissolution of enterprises.

By way of example, the People's Credit Bank of Algeria decided in 1983 to delegate to its branches the financing of operations by state-owned enterprises. That delegation of responsibility allows a branch to grant to any enterprise that is not in deficit an overdraft amounting to as much as its quarterly turnover. It is agreed that to benefit from that facility, the enterprise must submit the prescribed documentation in September--that is, its balance sheet, cost distribution or production plan, and financing plan (Decree No 70-75 dated 5 June 1970).

Those documents enable the branch to make a financial analysis of the enterprise and set the amount of operating credits to be granted to it during the fiscal period in question.

Credit authorization must therefore be granted in advance. If the enterprise is in deficit or if its credit requirements exceed its quarterly turnover, the decision is made at the unit or headquarters level based on the seriousness of the situation.

Here again, the enterprises feel that decisionmaking is still centralized, that they have no valid interlocutors at the branch level, and so on.

As a matter of fact, the problem raised by the enterprises goes deeper and is not completely groundless.

The reason is that while the decision reached by the branch or head office is as objective as possible in terms of the documents submitted by the enterprise and of financial orthodoxy, it is nevertheless rigid because it makes no allowance from the start for all possible contingencies. As a result, it leads to requests for revision throughout the year, and they constitute the real problem as regards financing in that they are often submitted after the branch has refused to go beyond what is authorized by the credit authority delegated to it and is waiting for a decision which must come from farther up the line.

Meanwhile, the branch refuses to honor the enterprise's payments except in the case of payroll, which is guaranteed regardless of the balance in the account in order to avoid social problems.

That blockage of funds is a serious act requiring that the enterprise begin by using the materials it has in inventory and then to continue meeting its payroll while waiting to obtain the credits necessary to procure more supplies.

And so it winds up in an endless spiral:

No turnover means no credit, which means no supplies, which means no turnover, and so on. And none of this prevents the increase in its overdraft and its deficit, if there is one, from growing worse, if only because of its payroll. But payroll is not always the only factor responsible for the situation.

Collecting taxes and unpaid receivables through the automatic debiting system helps to worsen the position of many enterprises that are already in a tight cash situation. Moreover, the collection of unpaid receivables has made the enterprises' operating accounts carry the burden of investment expenditures whose payment was previously rejected by the branch because unparticularized investments were involved.

So whatever degree of decentralization is achieved by the banks, prior financial analysis is bound to result in a freezing of the enterprise's spending by the bank at one time or another, and criticism of the financial sector will continue, whereas the latter is not at all responsible for the poor results achieved by some enterprises. Today the financial sector interferes with those results in a way, since by paying wages but not paying for supplies, it helps to increase an enterprise's costs with nothing being provided in return.

As a consequence, the procedure ought to be revised to permit financing of an enterprise's operations at the request of the latter on the basis of the documents provided, it being understood that the enterprise can only finance expenditures related to its operation.

The analysis of each enterprise's financial situation would then occur at the end of the fiscal period when the balance sheets are turned in. The results of that analysis should be submitted to the authorities concerned, who would then have to adopt the appropriate financial measures (financial restructuring, subsidies, and so on) or suitable legal measures (dissolution, transfer to another enterprise, and so on).

But if the forward-looking documentation as submitted shows signs of imbalance in the enterprise's financial situation, that documentation should be forwarded to the authorities concerned without delay.

In the interval, each supervising ministry will be kept regularly informed of changes in the operating credits granted to its enterprises.

Financially, such a procedure will not cost each bank any more than at present. On the contrary, its merit is that it will make each enterprise bear the cost of its own line of credit and, for example, prevent the situation in which, because of the amounts due it from other enterprises, an enterprise is

penalized by having to use credits from its own bank and paying financial costs which in fact are not its responsibility.

Secondly, that procedure will keep unpaid receivables from accumulating for no reason after stabilization efforts have begun.

Thirdly, the deficits in certain enterprises will not be in danger of growing larger due to the limitation on payments.

Psychologically, banks will no longer set themselves up as critics of the enterprises. Relations between bank and enterprise can only be facilitated as a result, and the tensions that might have existed will fade away by themselves.

Parallel with the financing of business operations, there is the problem of controlling expenditures relative to unplanned investments. Until now, the banks have ruled out all expenditures of that kind by refusing to honor payment.

But by the time payment is ordered, the equipment goods have already been acquired and are being used by the enterprise.

#### Control of Investment Spending

The bank's failure to pay for the goods in question automatically creates an outstanding receivable for the enterprise that sold the goods.

Here again, the criticisms by the enterprises are not groundless. In fact, prior control of expenditure has only complicated matters in that the banks may be partly responsible for "pirate" investments, whereas the responsibility of enterprise administrators, who are required to follow regulations, is total.

What we have been talking about is the procurement of equipment goods, and how can there be financial control over what an enterprise does on its own except after the fact?

Lastly, the control exercised by the bank has the ultimate effect of punishing the selling enterprise, which will have to bear the financial cost incurred as a result of the additional credit granted to it by its bank and may also have its operating credits frozen if changes are not made in this area.

Consequently, the responsibility for carrying out "pirate" investments must be assumed by the one actually responsible, who must be answerable to the authorities concerned.

That is why, on the basis of experience, it is sensible to revise certain procedures to allow the banking sector to play its full role as financial middleman in this important stage of the country's economic development.

## Role of Computerization

Algiers EL MOUDJAHID in French 12 Nov 85 Economie pp I-II

[Text] It seems almost trite today to say that data processing and banking are destined to get along well together. But the reasons for such a statement deserve explanation.

Data processing is defined as the science of the rational and automatic handling of information. The term "automatic" implies the possibility of using machines to process a great quantity of information.

And the chief tasks of a bank consist precisely of managing and processing a considerable volume of information, even though, as far as the general public is concerned, the role of commercial banks is perceived essentially through the teller department. But that department actually constitutes only the tip of the iceberg. A bank handles the accounts of thousands of customers, and every day those customers order innumerable operations of all kinds (cash deposits and withdrawals, over-the-counter exchange, transfers ordered and received, loans and repayments, repatriation of funds, interbank traffic, and so on).

Added to those traditional banking activities, in the case of Algerian banks, are special tasks arising from our country's economic-financial organization:

1. Domiciling imports and exports and following them up to their financial conclusion within the framework of foreign exchange controls.
2. Following up foreign contracts.
3. Following up and controlling imports covered by AGI's (overall import authorizations).
4. Following up and controlling charges to credits for planned investments.
5. Supplying the authorities with various statistics and so on.

Standing at the crossroads of all economic and financial operations, banks manage a sizable and constantly increasing volume of information that must be recorded, indexed, sorted, classified, filed, and also frequently consulted. With the development of banking, the files containing those data have become bulkier and more diversified.

Handling that information by traditional methods--that is, filing it in the form of paper records, with manual access--has become difficult and costly because of the time and effort required.

Moreover, current needs are concerned not only with the information itself but also with quick access to it. It does no good to have well-kept files if the information they contain cannot be retrieved quickly enough to keep up with daily needs.

This is precisely where the contribution made by data processing turns out to be irreplaceable, since modern computers are capable of storing very large quantities of information on magnetic disks, where it is quickly and easily accessible. Moreover, storing information in the form of a data base enables users to be selective in extracting only the information they are interested in, either selecting it visually or by entering several criteria determined by their needs. For example, it is possible to extract from a personnel file the names of all male employees over 30 years of age who live in the commune of Hussein-Dey and are employed as tellers.

The banks very quickly saw the value of data processing, and computer manufacturers, aware for their part of the sizable market represented by the banks, have been constantly alert to the needs of that sector.

The result is that over the past two decades, the organization of banks throughout the world has undergone successive changes as manufacturers have come on the market with new series of data processing equipment.

Let us recall briefly the various types of organization that have appeared in succession:

1. The so-called "double statement" system, in which the branches keep records of their customer accounts on statement cards and send their data to the head office computer, where a second, computerized record is maintained.
2. The so-called "centralized statement" system, in which statement cards at the branches are eliminated, the bank's records being maintained instead by a computer at a central location. Information is exchanged between the central location and the branches every day by teletransmission. This type of organization was made possible only by the development of data transmission networks using telephone or telex and the associated equipment and software (adapters, modems, concentrators, symposiums on data transmission, and so on).
3. The so-called "regionalized statement" system, which is also characterized by the elimination of statement cards at the branches but in which, unlike the preceding system, local records are transferred to several regional centers, where they are maintained by computer.

This system shows the determination by banks to decentralize even though the manufacturers persist in offering only large computers.

4. The so-called "distributed data processing" system, in which each branch manages its own records locally. In this case, however, the records are no longer kept manually on paper but automatically using minicomputers or microcomputers whose size can be adapted to the branch's requirements.

The financial sector's master plan for data processing development is aimed at introducing the last-named type of organization into the banks. The advantage of the distributed data processing system, made possible by the development of microcomputing, is that it reconciles management needs with cost constraints and the need to decentralize in accordance with the government's wishes.

Compared to the development of banking in the rest of the world, Algerian banks will have the advantage of being able to skip the two intermediate stages mentioned above.

A start has been made on actually implementing this system of organization in Algeria.

The experiment with a computerized branch that is now being carried out by the People's Credit Bank of Algeria at its Emir El Khettabi branch is proving to be very encouraging despite a few startup difficulties that are inevitable in this kind of undertaking. Most of the problems encountered have now been solved without foreign assistance thanks to the efforts of local computer personnel and operators. This is a point that needs to be emphasized, given the complexity of the task. The system is now being put into general use.

The advantages of widespread computer use in bank branches are many:

1. A gain in productivity.
2. Improvements in the quality of customer service.
3. Better bank management as a result of:
  - a) More reliable information.
  - b) Quicker access to information.
  - c) Access to a wider range of information.

Furthermore, the generalized use of data processing in the banking system will open the door to modern procedures for interbank traffic. It will be possible to clear checks, transfers, and bills between banks by exchanging magnetic media (tapes, disks, and diskettes), thus saving each bank the expense of reentering data on the securities exchanged.

Traffic between the banks and their computerized customers can take place in the same way. For example, it would be very advantageous to process a large state-owned enterprise's payroll on magnetic tape rather than by keypunching a list of wages to be credited to the various accounts.

One could even contemplate installing automatic cash dispensers on an enterprise's premises. These would be connected on-line to the bank, and the wage earners could then withdraw their pay without having to go to the bank.

The final stage of banking development as described in trade magazines in the West would be "home banking." Under that system, any bank customer with a telephone and an appropriate keyboard and monitor connected to the bank could initiate a large number of banking operations without leaving his home.

This is not at all utopian. It is within the realm of the possible, but a lot remains to be done first.

As far as our country is concerned, it should be emphasized that favorable developments in the organization, circulation, and processing of information by banks (and not only them) is still largely dependent on the development of data transmission by telephone, which is still at an embryonic stage. It remains to hope that the organizations concerned will behave as promoters in this field, where the expressed or latent needs are very sizable.

### People's Credit Bank

Algiers EL MOUDJAHID in French 12 Nov 85 Economie p II

[Text] The resumption of activity by the people's banks of Algiers, Oran, Constantine, and Annaba and the People's Central Credit Fund of Algeria was reflected in the establishment of the People's Credit Bank of Algeria, whose founding dates back to 29 December 1966.

Its establishment followed that of the National Bank of Algeria, which had opened at the start of the same year, and it came into being in response to the need to strengthen and consolidate the economic system by setting up financial organizations capable of promoting the full development and expansion of enterprises in the public and socialist sector.

Just as it was supposed to build up experience in its field, so the People's Credit Bank of Algeria was intended to replace the foreign banks still present in Algeria in two areas: the attraction of funds and, more particularly, the financing of the public sector, which it was urgent to take responsibility for on the eve of the 3-year plan.

It was out of the same concern that the People's Credit Bank of Algeria also absorbed the Algerian activities of the following foreign banks and establishments:

The Marseilles Credit Company (SMC).

The CFCB.

The MISR Bank.

The Arab People's Bank.

The DIAC.

Under its bylaws, the People's Credit Bank of Algeria is responsible in particular for financing and promoting the activities and development of crafts, the hotel trade, tourism, fishing, and related activities as well as nonagricultural cooperatives for production, distribution, marketing, and services and small and medium-sized enterprises of all kinds, including, as an exception, those belonging to the self-managed sector.

In practice, however, the specialized character of Algerian banks largely disappeared.



The public sector quickly lost its special status to become a customer like any other, obeying the same rules regarding domiciliation and access to credit as the private sector.

It was not until the finance law of 1970 was passed that the principle of sole domiciliation at a single bank was adopted.

Since then, the People's Credit Bank of Algeria has assumed responsibility for the financing and followup of many sectors of activity, among which we can mention the following:

Housing and construction.

Public works.

Water resources.

Tourism and culture.

Fisheries.

Trade.

Handicrafts.

SONIPEC [National Leather and Hides Industries Company] in the field of light industry. Light industry now includes the sector of local public enterprises, which have become preponderant and have constituted a focus of the policy for the country's development.

In the private sector, the People's Credit Bank of Algeria has been entrusted with operations for financing the special credits for war veterans and their beneficiaries, fishermen, bakers, and so on.

To manage efficiently the mission entrusted to it, the People's Credit Bank of Algeria has been working for a long time to expand its operating network.

The original objective, which was to establish the presence of the People's Credit Bank of Algeria in all the governorates, was very quickly surpassed, since the number of branches rose from 20 in 1966 to 63 in 1976.

On 30 June 1985, the CPA [People's Credit Bank of Algeria] network consisted of 114 local offices scattered throughout the national territory.

In April 1985, the effect of the decision to establish the Local Development Bank as a split-off from the CPA was to transfer the local public enterprises and part of the CPA's network to the new bank. This left the CPA with only 78 branches.

But the transfer of local public enterprises to the Local Development Bank and the scheduled transfer of certain enterprises to other sectors domiciled with



other banks as a result of the reorganization of the national economy should result in a new redistribution of enterprises among the primary banks.

Only then, and on the basis of the new configuration of state clientele assigned to the People's Credit Bank of Algeria, will the program for the opening of new branches be reviewed.

It should also be noted that parallel with the expansion of its network, the bank increased the number of its employees from 454 on 1 January 1967 to 2,630 on 30 September 1985.

#### Algerian Foreign Bank

Algiers EL MOUDJAHID in French 12 Nov 85 Economie p III

[Article by Mohamed Refik Idri, deputy director general of the Algerian Foreign Bank]

[Text] As part of the implementation of the economic policy set forth in recommendations and resolutions by the authorities, the Algerian Foreign Bank was obliged to:

1. Continue its effort to attract funds.
2. Develop the use of banks by households, primarily by concentrating on wage earners employed by the state-owned enterprises which are its customers.
3. Set up ways of providing suitable and justified assistance to ensure the normal operation of enterprises in the public sector.
4. Help finance the activities of customers in the private sector, with preference being given to production sectors.

#### Efforts to Attract Funds

The effort to attract funds continues without letup. This is one of the Algerian Foreign Bank's priority objectives because of its direct impact on the country's major financial equilibriums. The bank considers that by making that effort, it is helping to reduce the creation of money and thereby participating in the fight against inflation.

The result is that the bank's resources rose from 9 billion dinars in 1980 to 36 billion dinars at the end of 1984.

That notable increase in the bank's financial potentialities was the result of sustained efforts directed at commercial customers in the private sector. It was also the result of intervention by the Public Treasury, which, in connection with the financial restructuring of state-owned enterprises, was obliged to credit the accounts of state-owned enterprises that had been subject to financial restructuring.

By seeking to step up its mobilization of funds, therefore, the bank is contributing to the efforts being made elsewhere to achieve the objectives established through the national development plans.

#### Developing the Use of Banks

Developing the use of banks by households is considered a powerful means of mobilizing funds and regulating the economy, and it has constituted another important activity for which all the bank's structures are responsible.

The result is that the number of deposit accounts rose from about 113,000 in 1980 to 167,000 at the end of fiscal 1984. It should also be noted that in terms of the bank's total resources, the share represented by individuals is rising steadily. Plans call for pursuing even more aggressively the use of banks by individuals, who will be offered services that are more diversified and of higher quality, examples being monthly statements, the domiciliation of expenditures, new products such as guaranteed checking accounts, and so on.

In addition, the opening of bank branches on industrial sites will make it possible to improve those results since it will be possible to open an account for every wage earner in the surrounding economic units.

As was emphasized above, contributing to increased national savings and participating in a greater mobilization of the country's financial resources are two recommendations by the party's central authorities, and they remain constant objectives of the bank.

#### Intervention To Help Public Sector

Intervention on behalf of the public sector remains the main mission of banks. In this respect, the Algerian Foreign Bank's activity has been "intimately" linked to the country's efforts for development and production through its participation in the financing of sectors considered strategic:

1. Hydrocarbons (SONATRACH and NAFTAL).
2. Chemicals and petrochemicals (ENIP, ASMIDAL, and SNIC).
3. Steelmaking (notably SIDER).
4. Ocean shipping (SNTM-CNAN and SNTM-HYPROC).
5. The construction industry and building materials.

In this connection, the bank has participated in and continues to provide assistance for the carrying out of important development projects, examples being the following:

1. Hydrocarbon research, production, and transportation (the Hassi Messaoud and Hasni R'Mel fields and oil and gas pipelines).

2. Refining (the refineries in Skikda and Arzew).
3. Gas liquefaction (the complexes in Skikda and Arzew).
4. The production of plastics and fertilizers (the complexes in Skikda, Arzew, Annaba, and Setif).
5. The construction of cement plants (Chlef, Hadjar, Soud, and elsewhere).
6. The acquisition of ships to carry petroleum, gas, freight, and passengers.

That participation in the carrying out of projects has taken various forms:

1. Studies in cooperation with all the organizations concerned (the Ministries of Planning and National Development and Finance and the BAD [Algerian Development Bank] to provide a better financing structure for the project.
2. Assistance and advice for the enterprise during negotiations with foreign suppliers and/or bankers for foreign financing.
3. The search for foreign assistance on international financial markets on the best terms.
4. Making the bank's windows available to companies for arranging the necessary assistance and carrying out payment operations.

That contribution by the Algerian Foreign Bank to the setting up of those economic units would be incomplete, however, if it stopped at that stage of their lives. The bank therefore continues to provide assistance for their operation so that the investment made will become an active contributor to economic life by producing goods or services. It therefore supports the production unit by providing it with the necessary credits as the cadence picks up and later meeting its financing requirements in connection with its operating cycle.

In figures, it will be recalled that short-term credits benefiting the public sector rose from 23.7 billion dinars at the end of 1981 to 36.8 billion dinars at the end of 1984. That increase in loans was the result in particular of the startup or increased pace of production at many industrial or commercial units belonging to companies that are the Algerian Foreign Bank's customers.

#### Contribution to Private Sector

The bank's contribution to ensuring a better insertion of the national private sector into the country's development process, as recommended by the Central Committee during its work in connection with that sector, is made chiefly in the form of partial financing for activities considered sound and profitable to the national economy.

In this respect, it is worthwhile to emphasize that the bank has established new internal procedures that will enable approved private investors to benefit

from the financial advantages provided by Law No 82-11 relative to national private economic development.

The table below [not included in the original] shows how cash credits and signature credits used by enterprises in the private sector, broken down by type of activity, have evolved since 1983.

Those figures show that loans granted to enterprises in the private sector have remained modest in comparison with those distributed to the public sector.

Moreover, the bank's branches have been made responsible for developing jobs to benefit the private sector and, in particular, for taking an interest in, following up on, and "canvassing" the new enterprises established as a result of the new provisions of the law as regards private investment.

The objectives established within that framework make it possible to take into account the financing requirements of enterprises whose projects and activities fall within the scope of the priorities, objectives, and forecasts of the national development plan.

Those are, briefly stated, the activities engaged in by the bank to produce its results. The results reflect the definite and sizable development noted in the bank's various departments. Their achievement and even their "overachievement" have been possible because the bank has undertaken to:

1. Increase the effectiveness of intervention by its various structures.
2. Improve the quality of the services it offers its customers.
3. Make the operations of all its structures more flexible.
4. Develop as close a relationship as possible with its customers in the public sector.

#### Algerian Foreign Bank: Efficiency

Algiers EL MOUDJAHID in French 12 Nov 85 Economie p III

[Article by Reda Smahi, director of organization]

[Text] Decentralization, modernization, and improved know-how: that is how one could sum up the Algerian Foreign Bank's strategy, implementation of which in recent years has made it possible to record encouraging results.

#### Decentralized Decisionmaking

As early as 1981, the Algerian Foreign Bank began a progressive redeployment of its branch activities with the basic objective of defining the needs and concerns of its customers as accurately as possible so as to respond to them as quickly as possible.

The significant expansion in the powers and responsibilities of the Algerian Foreign Bank's branches, accompanied by a qualitative strengthening of their human potential, has enabled each of them to take full charge of the banking aspects of the following activities:

1. The processing, followup, and settlement involved in domestic operations (withdrawals, deposits, transfers, remittance of checks for collection, the discounting of checks or securities, and so on).

2. The initiation, processing, and local management of foreign trade operations, the followup of AGI's, the domiciliation of transactions and contracts, the opening and management of documentary credit, the processing of documentary remittances, the processing of transfer orders, and so on.

In this connection, we should note that it is in the field of foreign trade that the Algerian Foreign Bank has opted resolutely for an optimum degree of decentralization. That decentralization goes so far that branches have been allowed to open documentary credits since January 1985.

That "innovation," which required a reorganization of procedures, advanced training for branch staff, and new channels of circulation, has already had a sizable impact on the time required to process import and export operations carried out by customers.

3. The establishment and management of lines of credit on behalf of industrial and commercial units in the public sector, which are increasingly establishing contractual ties with the bank's branches.

4. The granting of credit to the national private sector--enterprises, the liberal professions, craftsmen, and so on--thanks to the broad delegation of power to branch managers.

Branches operate as autonomous units within the limits of prescribed operating and investment budgets and take direct action to obtain their own means of operation. On the basis of activity forecasts negotiated with the head office, the branches also take the necessary steps to achieve the objectives chosen with respect to profitability, operating results, and productivity.

#### Modern and More Numerous Branches

The result is that today, the Algerian Foreign Bank presents itself as a markedly decentralized establishment located very close to centers of activity. This system of decentralized activity is supported by the efforts made to strengthen and modernize the network of branches.

The Algerian Foreign Bank's network of branches for welcoming its customers has grown steadily. It has more than doubled in the space of 5 years, with the number of branches increasing from 26 to 55, 8 of which have been set up at important industrial sites (El Hadjar, Annaba, Hassi Messaoud, Skikda, Arzew, Chlef, and so on).

On this subject, it is important to recall that the initiative taken by the Algerian Foreign Bank in 1983 in opening bank branches actually within the country's major industrial centers has had convincing results and made it possible to give a new dimension to the bank's relations with its customers in the public sector.

The program for expanding the Algerian Foreign Bank's network will proceed at a faster pace in coming years than it did in the preceding period thanks to the experience acquired and the planned standardization. The modular system involved will make it possible to adapt those branches to the economic environment in which they will be called upon to operate.

Special attention will be paid to fitting out the Algerian Foreign Bank's branches to increase their functionalism and gradually turn them into privileged meeting places for the bank and its customers.

To accomplish that, the branches are being supplied with better and better equipment. For instance, there are plans to equip all the branches with multistation and multifunction microcomputers. Thanks to that equipment and the possibilities it offers, the Algerian Foreign Bank's branches will gradually begin the real-time processing of most domestic operations: withdrawals, deposits, transfers, and so on.

This new method of operation and the improved services it provides are already a reality at a number of branches in Algiers.

The numerous and varied activities are being accompanied by a reorganization of the bank's structure.

All departments have been studied, and changes have been introduced at the central, regional, and local levels. Special thought was given to the organization of the bank's branches to provide them with the best conditions for handling decentralization successfully.

Modernization of the bank and managerial control are also being achieved through the "system of budgetary and managerial control" adopted by the Algerian Foreign Bank.

That system has made it possible to:

1. Introduce forecasting into the management of funds and the use of resources.
2. Ensure awareness and mastery of operating costs.
3. Stimulate increased productivity and improved performance.

Improved Know-How

The Algerian Foreign Bank has been able to process a constantly growing number of banking transactions in conditions that have sometimes been difficult. In

1980, for example, the bank's branches processed about 4 million banking transactions involving both dinars and foreign exchange. In 1985, according to forecasts in preparation for the closing, that figure will be on the order of 9 million transactions.

That increase in volume will continue in coming years, and it will probably be absorbed without too much difficulty thanks to the installation of automatic processing equipment in the branches.

Even better, the Algerian Foreign Bank's branches are expected to show noticeable improvement in the quality of their services. Installation of the network of microcomputers also reflected a concern to facilitate the work of tellers and make them more available for greeting, informing, and even chatting with the customers.

In fact, what the bank is seeking to do at present is to lead all structures in the bank to assume increasingly the functions of consultation and assistance and to become the financial partner of the nation's economic sectors.

In that respect, it is important to emphasize the efforts made by the Algerian Foreign Bank to establish a new type of relationship with its customers in both the public and the private sector. In 1984 alone, for example, the bank organized several periodic meetings with its principal customers in the public sector and sponsored about 50 seminars. The latter were held throughout the country, with some being held on industrial sites.

This new approach to the examination of dossiers particularized by "unit" or "project" and in direct cooperation with the customer in the field has unquestionably made it possible to improve the efficiency of the bank's intervention and--something new--to increase the spread of information as well as its expanded and shared interpretation.

With respect to its customers in the private sector, and on its own initiative, the Algerian Foreign Bank has held several working and information meetings in various regions of the country. On those occasions and on the basis of specific cases, the bank familiarized itself with the main concerns of its customers in the private sector. In exchange, it informed its partners of the opportunities offered by the new provisions relative to investment by the national private sector and of the bank's decentralized mode of intervention.

Those meetings and discussions--rich, productive, and very useful--are greatly appreciated by the bank and by its customers.

This constant will to draw closer to the customer to offer him traditional but greatly improved banking services also relies on a policy for new banking products.

Examples are the guaranteed checking service, thanks to which the beneficiary is certain of being able to cash his check at any branch of the Algerian



Foreign Bank, and accounts in foreign currencies available to nationals who reside or have resided abroad.

Preparations for other products and/or improvements based essentially on optimal use of the microcomputers located in the branches are also underway. Some examples are automatic over-the-counter changing of foreign currency, instantaneous information on account balances, the supplying within a very short time of a simplified account statement, and so on.

The installation of computer terminals at the facilities of a certain number of customers is also under study.

The Algerian Foreign Bank is also turning its attention abroad in its efforts to improve its services and relationships, all the more since that international calling is expressly provided for in its bylaws.

It is stipulated in several articles that the Algerian Foreign Bank's mission is to develop economic and trade relations with other countries, provide its backing and guarantee as a means of promoting trade transactions with foreign partners, and participate in any credit insurance system or institution concerned with foreign operations.

The Algerian Foreign Bank is getting better and better at answering that call to be an international bank, all the more since a very sizable share of the country's foreign trade passes--financially--through its till owing to the fact that Algeria's main exporters--SONATRACH in particular--are domiciled at the Algerian Foreign Bank.

In addition, the Algerian Foreign Bank offers services through its specialized departments to exporters in the public and private sectors. Two of those departments are already in operation: the Central Department for Foreign Trade Information and the Department for the Promotion of Foreign Trade Operations.

The vast network of foreign banks with which the Algerian Foreign Bank maintains close relations and its own subsidiaries make that institution an effective support for the promotion and diversification of our exports.

The Algerian Foreign Bank mobilizes sizable human and material resources to strengthen that calling and to provide know-how and support for exporters.

Operations by the Algerian Foreign Bank in international financial markets to set up Eurocurrency loans have been positive and greatly appreciated.

For 1985, for example, the Algerian Foreign Bank has set up two technically advanced operations at advantageous rates and terms.

The first was a compulsory floating-rate issue totaling \$500 million. That is an exceptional amount for an issue of this type.

The second such operation was a financial loan in Japanese yen totaling 50 billion yen.



It is important to point out that the margins required by lenders have been dropping steadily and coming closer to the conditions imposed on developed countries. This is also a sign of the Algerian economy's good health.

Those, succinctly stated, are the achievements of a financial institution that is developing and changing. The results achieved are due to efforts by the men who constitute this establishment's great asset. They are ready to put forth more efforts, to show more imagination, and to act with more determination because the context demands it and the future requires it.

#### Algerian Foreign Bank: Training

Algiers EL MOUDJAHID in French 12 Nov 85 Economie p III

[Article by M. R. I.]

[Text] The transformations brought about not only by the growth of the economy but also by foreign models and technological progress require constant adaptation by the bank to the context in which it operates.

In that respect, the Algerian Foreign Bank has drawn the proper conclusions as far as decentralization and restructuring are concerned. It has also substantially increased its surface area to increase its capacity. Those adaptations, which are concerned with the overall means to be utilized, also require a special approach as regards personnel. Personnel training has therefore been regarded as the privileged instrument making it possible to give the bank's employees the opportunity to meet the new requirements and enabling the bank to assign new employees to their jobs under good conditions.

While external assistance has been utilized in its training program, the fact remains that the Algerian Foreign Bank has made training a concern of its own departments.

#### External Training

Like other banks, the Algerian Foreign Bank has constantly encouraged its personnel to take advantage of the technical banking education offered by the existing specialized centers and institutes. Its concern has been to provide and increase not only general training in banking methods for its employees but also useful knowledge in the areas of law, economics, national and international finance, management, and so on. That education begins at the lowest level--leading to the vocational aptitude certificate (CAP) in banking--and can continue as far as the diploma of higher studies (DES) in banking.

Besides vocational training in banking methods proper, the bank has also given its personnel the opportunity to receive training at the INPED [National Productivity and Industrial Development Institute], the ITFC, and so on.

## Internal Activities

In figures, 408 employees were registered in those courses during the 1981-1982 year, while the total came to 661 for 1984-1985.

Activity by the Algerian Foreign Bank in connection with training also included selective proficiency training abroad to bring employees up to date on advanced banking methods.

The Algerian Foreign Bank has also undertaken internal training activities, being inspired by its concern to increase the quality of its services, the security of its operations, and the output of its employees. Its purpose has been to raise the level of professional qualification among the enterprise's employees and cadres by reducing as far as possible the gap between the knowledge needed for handling a job well and the knowledge possessed by the person responsible for that job. It was a question of providing employees and cadres with the knowledge and know-how needed for executing the operations carried out by the Algerian Foreign Bank in accordance with its operating methods and with the legal regulations governing those operations. This kind of training has been provided in the form of short-term seminars concerned especially with the following:

1. The activities of the teller department.
2. Foreign trade.
3. Operation of the bank.
4. The financing of the public and private sectors.
5. Accounting.
6. Data processing and related activities.

Internal training at the Algerian Foreign Bank involved 239 employees in 1981-1982, 419 in 1982-1983, 529 in 1983-1984, and 793 in 1984-1985.

In addition to that two-pronged effort, the Algerian Foreign Bank has made provision for the Arabization of its personnel through continuous and sustained activity whose medium-term objective is to make Arabic both a working tool and a complete and usual means of communication.

While supporting and even beefing up the training efforts it has begun to support the process of decentralization now underway and the expansion of its network, the Algerian Foreign Bank, in pursuit of such objectives as technical modernization, the mastery of banking methods, the giving of responsibility to cadres, and restoration of the bank's commercial function, has not failed and will not fail to establish definite training programs and to initiate the specific corresponding actions that will enable it to have a specialized and profitable tool at its disposal.

## Individual Savings, Housing Loans

Algiers EL MOUDJAHID in French 12 Nov 85 Economie p IV

[Article by B. Madouni]

[Text] Just after national independence was achieved, an examination of Algerian financial structures revealed that institutionally, the play of financial mechanisms, notably from the standpoint of attracting the small savings of individuals and providing housing loans, was not being assured in an adequate and satisfactory manner. It was therefore decided to "entrust a single institution with all tasks concerned with those savings and those loans." The result was Law No 64,227, which established the National Savings and Insurance Bank (CNEP) on 10 August 1964 as the replacement for the Solidarity Fund of Algerian Departments and Communes (CASCA).

The institution's basic role is that of stimulating, collecting, and mobilizing the savings of individuals for the benefit of economic and social development. Until the end of 1970, the bank appealed to individual consensus rather than offering a particular service or any advantage other than the rate of interest it paid, which amounted to 2.8 percent at the time. At that time, its network for collecting funds consisted only of a few branches that could be counted on one's fingers and about 10 collection centers located in the Posts and Telecommunications revenue offices. Starting in 1971, however, the collection of household savings was stimulated by new laws encouraging savings and by the introduction of savings plans, notably the system of saving for the purchase of a home, which enables any saver to aspire to the acquisition of a family home. Those various measures had the effect of causing the institution to specialize in housing loans. From that point on, household savings were to experience phenomenal growth, especially beginning in 1976, when the first homes were sold to benefit passbook holders who had made the necessary effort.

The results achieved are the best proof. The number of passbooks managed by the bank since its establishment rose from 415,000 on 31 December 1975 to 1,150,000 on 30 November 1979, while the surplus on the bank's books increased from 2 billion dinars to 7.5 billion dinars. As a point of interest, the average amount of savings collected every year between 1976 and 1979 equaled the volume of savings tapped during the entire decade from 1966 through 1975.

The progress recorded in the collection of savings has been accompanied by the development and multiplication of branches, the concern being to get closer to the citizens. The bank has opened branches throughout the national territory. In 1979, 46 branches and collection offices were in operation. The network currently consists of 89 branches and collection offices. And the postal network that collects savings by individuals on behalf of the CNEP consists of 2,303 post offices. As regards its organization, the bank has a decentralized structure represented by three regional units: in Algiers, Oran, and Constantine. Each of them is equipped with all the human and material resources needed for dealing effectively with the sector's financing needs within its geographic sphere.

All branches at the governorate level as well as collection offices in the most important communes are empowered to carry out all credit operations involving individuals. But only branches at the governorate level are allowed to establish their own housing finance budgets and respond to calls for the funds required to meet the needs of the various intervening parties.

The collection network will also be expanded to the utmost to promote the mobilization of people's savings as much and as well as possible and also to meet customer demand for housing loans within the framework of individual and cooperative construction.

Lastly, plans call for establishing new units within the near future so as to further increase the bank's effectiveness.

The qualitative and quantitative increase in deposits which is being sought by the CNEP and toward which it works without ceasing is obviously not an end in itself, and even less is it a question of prestige. It constitutes the means by which the bank can play its proper role and fulfill its mission in the interest of the individual and the community. The savings it mobilizes are invested in the housing sector, while the surplus is invested in equipment bonds that the Public Treasury reinjects into the nation's economic channels.

As of 31 December 1978, the CNEP had contributed 25 percent of the financing for planned housing, while the Public Treasury was responsible for the rest of that financing--that is, 75 percent.

Since 1 January 1979, the Public Treasury has been completely responsible for the financing of planned housing. The CNEP, as the sole financial operator in that sector, is responsible for managing those funds.

To remedy that situation, which has definitely negative effects on the mobilization of individual savings, the authorities decided in 1980 to set up a public real estate developer (the National Office for Family Housing, since restructured into enterprises at the governorate level to promote family housing). It was responsible in particular for carrying out a specific housing construction program. Financed with funds provided by household savings, those homes are reserved exclusively for savers under regulations that are clear, definite, and precise. A program for 18,800 housing units, most of which are in the process of completion, was started. Those units will go on sale as they are accepted. Incidentally, certain quotas have already been set aside for savers [rest of sentence garbled].

Even in the case of that program, some questions have been raised concerning the destination of those units. An interministerial order dated 1 August 1982 and its implementing circular recalled once again that the housing in question is reserved exclusively for citizens who are savers. Another interministerial order, this one dated 19 September 1982 and concerned with housing starts under the planned housing program, stressed the urgent need to sell all that housing to savers, with leases to constitute only the exception.

The many difficulties experienced in assigning housing to savers has worked against an increase in collections of people's savings. The great majority of citizens who save are motivated first, especially, and foremost by the prospect of acquiring a home. The role of interest as a stimulus is not very important, although the rate has risen consistently. It was 2.8 percent until 31 October 1970 and was then raised to 3.5 percent on 1 January 1971, to 4 percent on 1 January 1979, and to 5 percent beginning on 1 June 1982.

As everyone knows, the CNEP does not simply gather savings, but also redistributes them as loans to individuals who want to build their own homes.

Citizens have two solutions to choose from. The first involves cooperative construction, a formula introduced by legislative provision (Order No 78-92 dated 23 October 1976). It gives savers a privileged opportunity to form building cooperatives and build their homes with personal loans from the bank.

In that process, the CNEP's intervention consists of completely prefinancing the cooperatives formed and providing them with its advice and assistance. The second solution consists of granting loans of up to 450,000 dinars for individual construction. The loan is disbursed in three installments: 40 percent at the start of construction, 40 percent when the shell is complete, and 20 percent when the work is done. In no case, however, can the total loan exceed 80 percent of the cost of the house. The total is also determined by the amount of accumulated interest and the borrower's ability to repay.

To respond to the aspirations of the largest number of citizens and satisfy the desires of savers, individual loans may be granted to those already owning a personal dwelling and wanting to improve, enlarge, or raise it.

This new service assigned to the CNEP makes possible an efficient adaptation of the credit policy to the nation's demographic realities as well as to new social demands and the new demand for comfort.

To further encourage savers who make the required effort to save, a subsidy covering part of the rate of interest charged by the bank is granted. That subsidy, which is paid by the Public Treasury, varies between 2 and 3 percent and is determined by the borrower's income.

The constantly revived encouragement of citizens to save was also reflected in the introduction in 1982 of a new type of loan known as the savings loan for professional premises (PELP). That type of loan is intended for the construction, enlargement, improvement, or acquisition from a public developer of premises for commercial or professional use. The maximum amount of the loan in this case is 320,000 dinars. Depending on the purpose of the loan, the following ceilings have been established:

1. Construction: 80 percent of the cost of the project.
2. Acquisition: 80 percent of the cost of the premises.
3. Enlargement or improvement: 50 percent of the cost of the work.

It is obvious that in view of the use to which a loan of this kind is put, the conditions under which it can be granted are very strict. It must be repaid in 15 years, and the interest rate is 6 percent.

As of 30 September 1985, the total number of loans granted in all categories came to 16,829, and their combined amount was 2.4 billion dinars.

The financing of housing, along with the collection of savings to which it gives rise, is the main object of the CNEP. Since this sector of investment is nonproductive, it is imperative that the various construction programs be financed to the maximum from savings, thus alleviating the state's effort and also limiting the amount of currency drawn.

The bank works at it actively with all the determination required. Standing out more and more every year as a true housing and household bank, the CNEP, through its constant search for powerful incentives adapted to the population's felt or expressed needs, enables the tremendous wealth represented by household savings to be a genuine driving force behind the country's multifaceted development.

But if our savings policy is to succeed, it is vital that every saver benefit serenely and perceptibly from a return on the efforts and sacrifices he makes to deposit his savings in the bank regularly.

The bank will then be successful in constantly channeling into priority investments the sizable amounts of available funds that are currently unused. Only on that condition will savers regain confidence and savings really constitute an irreplaceable asset for economic advancement and social well-being.

With 2.4 million savers as its customers and accumulated earnings of 29 billion dinars as of 30 September 1985, the bank has shown definite dynamism. The result is that it constitutes a modern and complete component of the national banking system.

#### Careers in Banking Examined

Algiers EL MOUDJAHID in French 12 Nov 85 Economie p IV

[Article by Mohamed Refik Idri, deputy director general]

[Text] The notion of "banker" has evolved in keeping with the changes that banks have undergone in the course of time either as a result of economic reorganizations or because of new technological contexts.

We have progressed from banks--each a simple business presided over by a banker assisted perhaps by clerks--to enterprises scattered over their national territory, perhaps with international ramifications, and embracing a range of diverse and extensive economic activities. The new situation required the use of increasingly numerous and specialized personnel, and banks thus passed from the small-scale economic stage to the industrial stage.



The result is that the image of the banker, with his qualities of attention to detail, rigor, and caution, his training, mastery of banking methods, knowledge, and human contacts, as well as his sense of risk and regulation and his awareness of his responsibilities, must be adjusted to the realities corresponding in our day to a multitude of opportunities in a banking career.

The dominant type of organization in our banking establishments today reflects inherited operating patterns and methods as well as structural adaptation to the status of a government-owned establishment and a planned economy. It corresponds to the classic division of activities within an enterprise:

First, there are the activities related to the bank's internal management. These correspond to the functions found in every establishment: management and control; research and analysis of activity; the administrative management of personnel, buildings, and materials; budget; accounting; and data processing.

Then there are the activities concerned with the actual function of a bank. These include the departments concerned with cash or portfolios and the financing of enterprises and individuals as well as foreign operations arising from the fact that each of the "commercial" banks is an approved intermediary.

The first category of activity is common to all enterprises and does not enter into consideration here. But as far as careers in banking are concerned, it is obvious that their number and degree of specialization in a given bank depends on the size of the establishment and the quantity of work to be done. The fact remains that minimal differences exist, and they cause the following distinctions, based on the nature of the tasks involved, to stand out:

1. The activities of teller departments, which are in charge of operations concerned with handling accounts opened for third parties--the starting point and a necessary step in all relations between bank and customer.

2. Portfolio and discount activity, which is concerned with the collection or acceptance of customer receivables. Since independence, the volume and reduced diversification of this activity have sometimes resulted in its being combined with the teller department.

3. Financing operations, which are concerned with the precise determination of financing needs on the part of enterprises and individuals, the setting up of appropriate solutions by type and amount, and verification of the merits of the financing and the use to which it will be put.

4. Activities generated by foreign operations, which range from simple transfers related to an assignment of foreign exchange to complex documentary credit, which requires familiarity not only with our own regulations but also with those of the countries with which we deal, the trade practices of those countries, the complicated domiciliation of foreign trade transactions or contracts involving operators in the public sector, and so on.

In all those sectors of banking activity (as well as in the semibanking sector concerned with internal management), which are divided up and organized into

job positions, there are just that many opportunities for pursuing a banking career. It is a unique field offering many opportunities for a diversified, full, enriching, and upwardly mobile professional life.

All that is so true that we are obliged to conclude that the occupation of banker, which once meant one or a few men working in the simplest banking framework, has now exploded into an infinite number of diverse and specialized jobs. It is important to point out, however, that all the qualities and abilities appropriate to the usual image of a banker must exist in every bank employee, who is in fact the representation of part of that image.

There is one element of a career in banking that does not stand out in this survey, which is much too brief to be exhaustive, and that is the fact that as a result of the necessary changes in working methods still to be computerized, bank employees will find more and more time to greet customers, be available to serve them, and rigorously contribute to the satisfaction of their needs. In that way, the commercial function of banks will be restored.

#### New Computer for CNEP

Algiers EL MOUDJAHID in French 12 Nov 85 Economie p IV

[Text] The CNEP is currently in the process of replacing its central equipment and its data capture equipment based on tabulating cards. The old equipment has been leased since 1971.

The future data processing center, to be located in Zeralda, will receive a DPS-7 computer, manufactured by the Bull Company, in December 1985.

The equipment has large data storage capacity (1 billion characters), provides a better organization of data (using a data base), and permits teleprocessing, which will make it possible in the medium term to provide a direct link with the network of branches and with the enterprise's regional offices.

The computer will handle the work for branches not scheduled to receive their own equipment in 1986. That work will gradually be taken over by the regional offices as proficiency with the computer is achieved.

#### Computerization of Network

Parallel with that operation, an important data processing program has been undertaken for the purpose of computerizing the regional offices and the main branches in the network through the use of microcomputers.

The introduction of computers into the CNEP's branches will permit the adoption of other procedures in addition to those principal uses: statistics, computer-aided decisionmaking, office automation, and so on.

The bank's installation of this new operating equipment has two objectives in view:



1. Improved service to customers (thanks to the speed and efficiency of operations).

2. Profitable management of the branches and their optimal operation.

The installation program calls for a test operation during the first quarter of 1986.

Installation of the equipment throughout the network will be gradual. To begin with, it will be installed in the largest branches, which handle as many as 70,000 savings accounts, and in the three regional offices, which are located in Algiers, Oran, and Constantine.

#### New Bank Officials Appointed

Algiers EL MOUDJAHID in French 19 Nov 85 p 3

[Text] Algiers (APS)--Boualem Benhamouda, member of the Political Bureau and minister of finance, presided yesterday morning over a meeting by the managers of the banking and insurance institutions. Important changes in the assignment of officials in those two sectors were made at the meeting.

Badredine Nouioua, formerly director general of public funds, credit, and insurance in the Ministry of Finance, was appointed governor of the Central Bank of Algeria [BCA], replacing Rachid Bouraoui, who is being reassigned. Benkara Mostepha Ali and Hanafi Ahmed were named deputy governors of the BCA.

Djaafari Habib, formerly general manager of the BNA [National Bank of Algeria], was appointed general manager of the CNEP, which, in accordance with the government's instructions, is going to be converted into a bank for housing and real estate development.

Hakiki Habib (formerly general manager of the BEA [Algerian Foreign Bank]), Benmalek Abdelmoumen (formerly general manager of the BAD [Algerian Development Bank]), and Khellaf Mourad were appointed general manager of the BAD, general manager of the BNA, and general manager of the BEA respectively.

Battata Mahfoud, formerly general manager of the Algerian Insurance Company (SAA), was appointed general manager of the Algerian Insurance and Reinsurance Fund (CAAR), replacing Belhadj Abdelkader, who has been reassigned.

Abdelkader Belbey, formerly director general of financial relations in the Ministry of Finance, was appointed chairman of the board of MEDRE (Mediterranean Insurance and Reinsurance Company, Limited), while Djaafari Abdelrim, formerly general manager of the CGRA (Algerian General Retirement Fund), was appointed general manager of the SAA.

For his part, Abderrahim Mustapha was appointed general manager of the Transportation Insurance Fund.

In addition, Gaceb Mohamed and Malek Mohamed were appointed deputy general manager of the CNEP and deputy general manager of the Local Development Bank (BAL) respectively.

These appointments are occurring after adoption of the new organization chart for the Ministry of Finance and are part of the government policy of rotating senior cadres.

During the meeting, Boualem Benhamouda reminded the newly installed cadres of the importance of the mission being entrusted to them at a time when the government has just adopted a wide-ranging program intended to give a new boost to domestic savings and breathe new dynamism into the banking and insurance system.

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ALGERIA

## EGG PRODUCTION, POULTRY BREEDING PROBLEMS DISCUSSED

### Egg Production

Algiers EL MOUDJAHID in French 14 Nov 85 pp 14-15

[Article by Hocine Khelfaoui; original paragraphing not strictly followed]

[Text] "What is it that is neither round, square, nor pointed?" After that challenge to elementary geometry, the egg now seems to be directing its sarcasm at the market economy. Available in one place but not in another, in surplus yesterday but in short supply today--the egg is elusive on a market in need of regulation. Is it defying all calculations concerning future requirements?

To try to get our bearings, let us first look at the figures and count up the eggs:

#### Development of National Production

August 1984: 982 million units

August 1985: 1.06 million units

(annual forecast: 1.8 million units)

#### Development of Imports

June 1984: 900 million units

June 1985: 300 million units

(annual forecast: 450 million units)

#### Total National Production Plus Imports

August 1984: 982 million + 900 million = 1.882 million units

August 1985: 1.06 million + 300 million = 1.36 million units

(Source: National Chamber of Commerce)

The first thing to note is that we cannot speak of underproduction, since almost as many eggs were put on the market in August as were in all of 1984. There were even a few surpluses last summer, the explanation being the drop in consumption at that time of year. If we go strictly by statistics, it seems that the extent of the current shortage should not have existed.

So how could eggs be available at the point of production but not available for consumption?

Let us go back and look at the situation since the start of 1985. During the first 5 months, supplies were quite regular. National production, with imports added to close the gap, was keeping the market steady to everyone's satisfaction. At least one might have thought so, because suddenly, in June, the producers sounded the alert, saying that there were more or less sizable egg surpluses at several points in the national territory. The state, which does not have foreign exchange to throw out the window, decided to halt imports. The Ministry of Commerce, in agreement with the Ministry of Agriculture, suspended the delivery contracts in force. On their side, the producers turned to the public distributors (large outlets and so on) and brought them "face to face with their responsibilities": they must accept contractual agreements for egg deliveries. And the latter, who had always sought such agreements with the producers, and always with the same response--blunt refusal--retorted that for them to take unsaleable surpluses now was out of the question. Instead of sticking to stable formulas for regulating the market, the producers seem to want it both ways: in times of surplus, they offer agreements to sell their product and benefit from the minimum prices set by the state. But in the normal situation of shortages, they prefer to rely on the pure law of supply and demand amended by a few manipulations aimed at moving the price upward.

Result: a few million eggs were lost last summer. As the saying goes, "who digs a hole will fall in it first."

In October the situation reversed itself. Eggs grew increasingly scarce and then disappeared almost completely from the market. There was a shortage. Why? It is difficult to answer that question with certainty. Overconsumption is ruled out because of the persistent crisis, even though the season is favorable to the eating of eggs. If that were the reason, consumption would have had to double, a very unlikely development from one year to the next. Underproduction is denied by the figures. According to information given to us, transportation is not the problem.

Could the shortage be due, as is suspected, to speculative hoarding on the part of producers and/or private distributors? Egg production is taken almost entirely by private distributors or is handled by the producer himself. That system allows both to profit from market fluctuations, whether deliberately provoked or not. Especially when the market is tight, there is a veritable boycott of public distributors (large outlets), even though their prices stay within the limits of a ceiling price and a floor price.

For several reasons, the current season is favorable to speculation, unlike the situation in the summer, when eggs must be put on the market as soon as they are produced. Demand, which is already rising, is being reinforced by the high price of meat, for which eggs are a substitute. Moreover, the product can be stored for a long time--up to 3 months. Since the rule is to make the consumer pay, the shortage would also enable producers to recover the "losses" suffered during the summer surpluses and make extra profits.

In response to the persistently tight market, the Ministry of Commerce has decided to reactivate the import contracts that have been frozen since 15 June 1985, and 200 million imported eggs will be put on the market between November and December 1985. After that period is over, plans call for using cold-storage plants to build up safety inventories consisting of imports. The eggs will then be released for sale as needed wherever a tight market is noted.

According to information provided by the National Chamber of Commerce, domestic production may equal and even exceed consumption within the next few years. State aid in the form of financing for the current project by the BADR [Bank for Agricultural and Rural Development] began in 1982. Funds on the order of 236 million dinars and 140 million dinars have been released for building 1,429 production batteries (lines) and 1,104 sheds. To date, 691 batteries (48 percent of the total) and 803 sheds (72 percent) have been completed. The rest are in progress. That prospective abundance is being counted on to wipe out speculation in the future.

Theoretically, it should work.

### Poultry Breeding

Algiers EL MOUDJAHID in French 14 Nov 85 pp 14-15

[Article by Belaid Djamel]

[Text] The development model for poultry breeding that has been chosen in Algeria consists of an assembly operation. It is a little like setting up a large automobile assembly plant from one year to the next and then using imported parts to achieve a sufficient level of automobile production to meet the country's needs.

It is true that in view of the need to meet the population's requirements for animal protein, the planning choices had to be practical. But the fact remains that poultry feed comes from the United States and Brazil, the poultry strains come from Germany, the cages come from Tunisia, and the medicines come from the United States.

France experienced many difficulties in 1973, when the United States restricted its exports of soybeans.

In Algeria, efforts are being made to improve the rate at which poultry breeding is being integrated. Cages are now being produced locally, private parties are trying to select poultry strains, and university research is underway to find feed that is produced locally. The road is a long one, and the intentions are good. Meanwhile....

For the past few years, henhouses have been shooting up like mushrooms all over the national territory. Hanging onto a hillside or lined up side by side, those buildings--made of aluminum, concrete blocks, or simply earth--are to be seen everywhere.

Broiler production has long been in favor with poultry breeders, but now they are not hesitating to switch en masse to raising laying hens. How can one explain that passion?

First of all, it is a profitable activity. To encourage that kind of production--previously highly inadequate--the state even eliminated taxes. In addition, the basic investment is relatively low: as many as 1,000 broilers can be raised on 100 square meters. And in the case of laying hens, the BADR will even advance the necessary funds for starting up the henhouse. That bank's employees exercise supervision throughout the process of putting up the poultry buildings and installing the laying batteries. The credits are thus made available in installments and can be repaid over several years. The breeder is granted a loan even for the pullets and feed.

There also exists an entire support infrastructure: plants (both state-owned and private) for the production of livestock feed, hatcheries, a center for raising pullets, centers for the sale of veterinary products and poultry-breeding equipment, and slaughterhouses. This does not mean that problems do not exist. For example, each poultry breeder is generally careful to set aside a supply of emergency feed. The reason is that in the case of broilers, it is always possible, if feed supplies run out, to find an excipient [as published] and sell after 56 days. But the same is not possible in the case of egg production. The fact is that each animal costs 36 dinars, and its egg-laying "career" must last 1 year. As a result, the ONAB [National Animal Feed Office] is gradually establishing decentralized structures to bring poultry feed closer to the users.

At first, breeders received chicks which they themselves raised to the age where egg laying begins. As a result of the difficulties encountered, that pattern was changed. Today, breeding stations make it possible to sell fattened pullets directly to the breeders. Production at those stations is such that pullets have sometimes been distributed free of cost. But the establishment of annual delivery plans is making it possible to reduce those ups and downs.

The poultry strains used in those breeding stations are foreign. Efforts have been underway over the past few years to reduce that dependence. Previously, we imported eggs which were placed in hatcheries, where they produced future laying pullets. Those eggs are now produced in Algeria. But the firms owning those strains have no interest in seeing the entire procedure copied. True, it is possible to select high-performance hens. Doing so requires resources and time. But the results are worth it. Take for example those European breeders who have perfected a strain of dwarf hens that eat less but lay eggs of the same size.

Private poultry breeders are trying to breed new strains. At the National Agricultural Fair, an exhibitor from Oran was able to present the first results of his work.

From the technical point of view, there is followup by the structures concerned (COPAWI). That has its ups and downs. Some governorates even show

special documentary films with participation by experts. The lack of technical training on the part of breeders sometimes causes setbacks. In the vicinity of Algiers, one poultry breeder who had neglected to air his sheds wound up with a mortality rate of 200 laying hens per day. But it is not rare to see poultry breeders seek assistance by veterinarians and call them in at the slightest sign of trouble to autopsy the dead birds.

The success of the early poultry breeders is attracting others. But the quotas are beginning to be filled. An example is one governorate in the interior of the country which is considered backward in this field but which is reporting the quota filled for this year. And the bank's branch manager is telling applicants for loans that "the quota of 120,000 pullets has been reached, and we are not making any more loans this year." The point is that there is planning in this area for each governorate, based on consumption of about 58 eggs per inhabitant per year.

The production of poultry and eggs provides a fine example of the will to stimulate production with decent results. But production of this kind requires upstream resources: poultry strains, feed, medicine, and batteries. And recourse is being had to imports, especially in the case of feed, which consists mainly of soybeans and corn. That is the weak link in the chain. Work is underway to find local substitutes. A great deal of effort will be required. But that will be the cost of the transition from the current "assembly plant" activity based on imports to poultry breeding that is better integrated with the national economy.

#### Poultry Breeding

A breeder of poultry (broilers) receives chicks which he raises for 56 days. The birds are vaccinated and eat a specific type of feed depending on their age. They are raised on the ground.

In the case of laying hens, the breeder receives fattened pullets that are 17 weeks old. Over a year's time, each will produce an average of one egg per day. This type of breeding is done in cages and requires close attention on the part of the poultry breeder.

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SUDAN

FORMER DARFUR GOVERNOR INTERVIEWED ON PROBLEMS OF THE SOUTH

London AL-TADAMUN in Arabic 30 Nov-6 Dec 85 p 21-23

[Interview with Ahmad Ibrahim Durayj, former governor of Darfur, by 'Uthman Mirghani: "Sudan Needs a New Party and a Federal System"; in London, date not given]

[Text] Ahmad Ibrahim Durayj is a well-known political figure in Sudan. He is from a region which had higher education at a time when higher education was extremely limited. He has held senior political positions. He formed the "Darfur Renaissance" movement in 1964 and entered political life when he was elected to Parliament as an independent deputy. Following his victory, he joined the Ummah Party and subsequently became minister of labor. He was an opposition leader in the Constituent Assembly at the end of the sixties.

In 1981 he assumed the post of governor of Darfur at the request of the government and in accordance with the wishes of the people of the region. He was one of the first to warn of the danger of famine in western Sudan and he submitted a report on this to the central government. He left his post as governor of Darfur in December 1983 and left Sudan in protest against the regime's policies. Since that time he has lived in London, where AL-TADAMUN met him and conducted this interview.

[Question] You recently produced a paper on the political structure in Sudan and submitted it to government officials there and to a number of politicians and other interested people. What is the main point and the purpose of this paper?

[Answer] This paper is my personal contribution, in which I have relied on my own experiences in Sudan as well as my practical experience as a student of political science and my life experience as a person who was born in the countryside. It is also based on the current reality of Sudan. All of these experiences have prompted me to hold that unless we begin anew in Sudan by creating a new political setting or political structure, we will remain in the very vortex in which we have lived since Sudan's independence, the vortex of so-called party democracy and military governments.

I attribute the failure of all previous regimes to the absence of a true political make-up on which the political structure must be based. I believe

that as long as we accept a new period following the popular April uprising, and as long as we are in the midst of preparing a new constitution for Sudan, the time must be considered appropriate for proposing my ideas related to the political structure in Sudan. I am not claiming that these ideas are new or unique. I am simply saying that perhaps they may not have been raised in the exact same manner in which I have raised them.

I submitted a copy of this paper to Prime Minister Dr al-Jazuli Daf'allah during his recent visit to London. I also submitted another copy to the [Transitional] Military Council [TMC], the [provisional] council of ministers, and the union grouping. I intend to send it to newspapers so that it can be read by the largest possible number of people. What I am hoping for is that if the parties find something suitable and useful in this paper they will adopt them and include them in their political programs.

[Question] In this paper you have spelled out some proposals which you believe must precede efforts to solve the problems of Sudan. Among these proposals is the formation of a transitional national government. The government which it proposes differs from the current transitional government in Sudan. On what is it based?

[Answer] I have offered the concept of a national government ever since efforts began to form the current transitional government. The premise is that the current problems facing Sudan are extremely difficult. Some of these problems, moreover, provoke controversy and differences of opinion. The leading issue is the problem of the south, which requires a prompt and fundamental solution. Undoubtedly, a complicated problem such as the problem of the south cannot be solved by a weak government or a government which does not have a mandate. Furthermore, drafting a new constitution and preparing for elections require a strong, broad-based government in which all, or at least a majority of, sectors of the people are represented so that this constitution will represent the views of the people.

In addition to this, Sudan is facing a pressing economic crisis whose solution requires a strong government with a broad base. We also have the problem of famine, which requires a government which has power, a mandate, and the necessary time to deal with the issue.

In my opinion, the government which followed the uprising lacks these elements. What happened was that authority devolved upon two parallel governments, one civilian and the other military. The military government, or to be more precise the military party in the government, believes that, by its siding with the people and its holding the power of arms which decided the situation, it has the right to rule. The civilian government on the other hand believes that it came to power as a result of a popular uprising which occurred under its leadership; therefore, it has the right to rule. On this basis, a dispute between the two governments regarding power was inevitable. That caused the issuance and signing of the provisional constitution to be delayed until October and gave the impression that the two governments were not able to come to an agreement on this constitution for 6 months (half of the transitional period). How can a government like this face up to greater and deeper problems such as the problem of the south? It is enough to note

here the fact that there is still no one voice or a unified program to solve the problem of the south. The council of ministers has ideas regarding this problem, the TMC has its own ideas, and the grouping has other ideas. There is no consolidated program among the three for dealing with Sudan's problems. Therefore, I believe that if a nationalist government were formed in which all sectors were represented, including farmers, workers, and economists as well as the regions which are not represented in the current government, we would be able to confront the problems of Sudan, or at least stand at the beginning of the road to solving these problems.

Allow me now to go into some detail about the lack of representation of the regions in the government. The regions must be taken seriously by the governments in Khartoum, especially since there are today regional movements in various parts of Sudan. These movements are not new, they began to appear after the October 1964 Revolution. There is also no need for secession, but there must be an expression of the complaints of the regions over the centralism of the government in Khartoum. All previous governments have failed to achieve the aspirations and hopes of the people of the rural areas, and the rural areas have been denied the right to take part in the government and take part in decision-making and in carrying out decisions. This has hindered progress and development of the outlying regions and caused the collapse of services there and, as a result, has also caused the loss of confidence by the regions in all governments in Khartoum, whether military or civilian.

It appears that, in addition to regional movements which operate in the form of discussions and peaceful movements, other movements began to appear which discuss and demand additional rights by using weapons. We must not ignore this phenomenon or close our eyes to it by considering them as racial movements, as some have described them, because ignoring them may lead to deterioration and widening of the scope instead of a solution to the problem.

[Question] We shall return again to the question of the south and the other regions, but let us talk in more detail about the call to form a nationalist government. What is your concept of such a government and how would it be formed?

[Answer] After the uprising, the TMC, which was in charge of forming the transitional government, had the upper hand. It was possible at that time for the TMC to advocate the formation of a national government and to go along with the call for a return to the Constitution of 1956, as modified, which provided for a sovereignty council and a council of ministers. These two councils would include representatives of the army, the police, and the parties as well as representatives of workers and farmers and the outlying regions. If this had been done, then the government which assumed responsibility now would be a national government representing all sectors and would enjoy a broad base [of support]. It thus would have been possible to invite John Garang to join such a provisional national government so that this government would undertake missions of the transitional phase, prepare for elections, and deal with urgent problems such as famine, and the leadership of the parties would organize their ranks and prepare for elections.

[Question] There is a specific reality in Sudan today which may differ from this concept you are proposing. Do you still call for the formation of a national government? If so, what is the way out of the current situation?

[Answer] The current reality in Sudan requires that the military government and the civilian government submit resignations on the grounds that although 8 months have gone by, their governments were not able to deal with major problems and adopt consolidated positions on these problems. Failure to come to grips with the situation may cause grievances which might prepare the atmosphere for another uprising or bring in another military government. As long as the goal is the best interests of Sudan first and last, the government must resign after it finds that it has not achieved anything in 8 months.

[Question] What about the elections which are drawing near?

[Answer] I do not see how these elections can be held on schedule; the political parties are not at all prepared to enter them, especially since these parties are suffering from fragmentation. The fact that the parties are not ready is apparent in the fact that the parties' leadership have yet not made wide or extensive visits into the outlying regions of Sudan. Note that politics does not rely on the initiative in Khartoum alone, because the broad base of the people of Sudan is located in the west, the east, the south and the north. The citizens in the outlying regions have not yet become familiar with the parties' programs because these programs have not been proposed to them in a sufficient and persuasive manner. How is it reasonable to hold elections with this picture? How can elections be held while the war continues in the south?

If the government is unable to send food to the people in the south, then how can the candidates go to the voters there and ask for their votes? If it is decided to hold the elections in other parts of Sudan and leave out the south, this would only make the situation more complicated.

Additionally, the problem of famine still exists. It is unreasonable for the candidates to go to starving people to tell them "vote for us." What the government has to do is try to solve this problem first before it asks the people to vote in the elections. I hope that the people will be persuaded to delay these elections and form a national government which will work for 2 or 3 years to solve Sudan's problems and draw up firm bases for democratic elections.

[Question] Among other things proposed in the paper you have drawn up concerning the political structure in Sudan is the question of decentralization, or federal government. What do you mean by federal government. Is it a general and comprehensive federalism for the entire country?

[Answer] The federalism which I am talking about is federalism for all of Sudan.

[Question] Do you not believe that the establishment of a federal system of government in a country such as Sudan may subject it to problems, in the sense

that if Sudan cannot take on problems and disputes now, then how can it sustain a federal system in which there are a number of regional governments in addition to the central government?

[Answer] It is my view that Sudan has not been able to sustain one government because such types of governments have been unable to solve Sudan's problems. If, however, we set up a federal system, then that would assist in solving the problems of the country and would achieve stability at the regional and national level. The proof of that is that ever since pre-independence days we have found ourselves facing a civil war in the south. We have insisted on considering it a civil war which can be contained or ended by weapons. The result was the death of thousands of Sudanese from both sides and the halting of the wheel of development in Sudan because the country's resources have been sapped in the war instead of their being directed towards development and because a number of economic installations have been destroyed during this war. This war did not end until the Addis Ababa agreement was signed and the south was given greater participation in the government through autonomy. Thanks to this formula the southerners have put down their weapons and Sudan enjoyed stability from 1972 until 1982, when former President Ja'far Numayri abrogated this agreement by taking away power from the southerners and forcing them to redivide the South. This caused fires of war to ignite again.

Now we find that the people of the east and the west and the central region have begun to set up regional blocs and this is a step which warns that what happened in the south may happen in other parts of Sudan. Perhaps the reason for this is the feeling of the people of the regions that the central ruling regime has failed to achieve their aspirations. We must recognize the failure of this system and give the people of the outlying regions the right to manage their affairs in their areas within the framework of a federal system. Federalism does not necessarily mean separatism. Just look around and you can see that there are several countries in the world with a federal system, some small and some large. The United States has a federal system, India is a federal state, and so is Nigeria, Switzerland, the United Arab Emirates, and West Germany.

[Question] What are your connections with John Garang's SPLA/SPLM? Is it true that you have joined this movement from time to time?

[Answer] I have not joined the SPLM/SPLA. Perhaps there is some confusion which made some people think that I joined this movement. The fact is that my contacts with the SPLM/SPLA began at the end of 1983, following my departure from the Sudan and my coming to London. Benjamin Bol contacted me and at that time he was a representative of the SPLM/SPLA in London. He asked to meet with me since we had known each other for a long time, going back to the time when Benjamin Bol was working as minister in the regional government in the south. I understood from Benjamin that John Garang had contacted them and asked them to try to meet with me to determine the possibility of my joining the movement with the goal of broadening the front opposing the regime. However, I told Benjamin that despite my departure in dissatisfaction with Sudan because of the regime's not following the reports which I had submitted to the government concerning the famine in western Sudan, and likewise because the regime was taking spontaneous decisions related to the whole country such as the



September laws (the Islamic Shari'ah laws) without consulting with the people or with the officials, and despite my leaving my post in Darfur and in protest against the actions of the central government, I nevertheless decided not to join any armed opposition against the regime.

SPLM/SPLA representatives continued their contacts with me and they sent me all sorts of booklets and pamphlets related to their movement. In February 1984 Ya'qub Isma'il contacted me from Paris and discussed with me his coordination with John Garang's movement and his hope that I would join them in order to expand the front of opposition to the regime. I informed Ya'qub that I had not yet decided to join the opposition, but that I welcomed the opportunity to meet with John Garang to learn his views.

I left at the end of that month for Addis Ababa where I spent a week during which I met with John Garang, who apprised me of their programs and their goals. He said they wanted to liberate Sudan from military rule and reestablish a democratic system, but in a new fashion based on contribution by all Sudanese in the operation of taking a decision instead of concentrating decision-making in the capital and its people only. He indicated that they wanted to achieve participation of the regions in ruling. I told him that I agreed with him on views related to the need to give the people of the outlying provinces a share in government, but that I had reservations about some aspects of their program which do not completely express the contents he was talking about. I also told him that if his program did not spell these things out, then the people would look at it as a southern separatist movement or a racial movement.

I concluded my remarks with Garang by saying that I had not decided to join the opposition yet; I had to hold contacts with my base in the interior before making any decision on the matter. He expressed understanding of what I had told him. He asked me why I did not draw up a program of action in accordance with what I thought appropriate and then meet again to discuss this program. Perhaps from here we can develop an idea of a paper which I prepared recently. Before this paper was prepared the popular uprising occurred in Sudan and conditions changed. I decided to meet with John Garang again to inform him that a new democratic age had begun in the country and that there were no longer any motives to return to and take part in the effort from within.

At the end of April I went to meet Garang and indicated to him that his movement could contribute to the political effort in light of the new situation in the Sudan and that it had political representation in Khartoum; however, he did not go along with this proposal and said that the new situation is not the situation which he wanted or expected. This situation will never achieve democracy because it is a situation led by the military who were working with Numayri and leading the military units. He said that the new situation had changed nothing in regard to the SPLM/SPLA. As proof of this he said that the new regime had not exhibited any good will towards him and continued describing him as a rebel. Moreover, the TMC was trying to encircle him by making contacts with Libya and Ethiopia. He noted what he called the presence of two governments in Khartoum, one of them military wanting to solve the problem of the south militarily and another civilian speaking about solving the problem through negotiations. He did not know which of the two

governments he should negotiate with. He also raised the point that the existing government in Khartoum is a transitional government which cannot discuss and solve a complicated problem like the problem of the south in a few months. Additionally, its decisions perhaps will not be binding on another government which might come a year later.

I repeated to brother Garang my personal point of view that he should have a political presence in Khartoum following the change in the situation and propose his political program to all the people. I told him that I would complete the paper in which I would put my idea for a new political structure in the Sudan and I would send him a copy of it so that he could look it over.

While I was in Addis Ababa Dr Mansur Khalid also came to meet with Garang. At that time I was getting ready to leave the Ethiopian capital. I met with Dr Mansur who said that he was about to meet with Garang. But we said no more than this about the nature of the talks which both of us had held with the SPLM/SPLA. Shortly before I left, a group from the SPLM told me that Dr Mansur Khalid and a businessman, Dr Khalil `Uthman, had joined the movement and a statement would be issued to this effect and [they asked me] why I did not announce my joining the front. My reply was that I had not yet decided about joining the front but if they wanted a statement I would not prevent the issuance of a statement saying that we had met in February and in April and we had some discussions and that there was some agreement and sympathy in some aspects and we would continue the discussions until we reached agreement. The statement was actually issued, but the matter was confused for the people because the SPLM/SPLA announced in the paper itself a news item about Dr Mansur Khalid's joining the SPLM/SPLA, and there is of course confusion surrounding the matter. I explained the matter of the confusion to some brothers who contacted me from Khartoum and asked them to publish this clarification in the press, and this is what they did.

[Question] Through these contacts which you made with John Garang and through your personal experience in political endeavors, what is the solution to the problem of the south?

[Answer] The solution is the federal system which includes participation by the south and all other regions in governing.

Through my meeting with Prime Minister Dr al-Jazuli Daf'allah during his recent visit to London, I told him of my point of view regarding the subject and I concentrated on the fact that the transitional government had not yet drawn up a specific agenda or specific proposals around which negotiations could revolve. The statements that Garang's proposals are not acceptable are not considered sufficient; instead, the government must draw up its own proposals on its part. Such an agenda or proposals could be a program which people could negotiate.

I also proposed to the prime minister the paper which I had drawn up and I showed him that the federal system could form a solution to the problem of the south and the problem of the outlying regions.



[Question] Do you feel optimistic about the proposed national dialogue conference and the possibility of achieving a settlement to the problem of the south through it?

[Answer] I am not optimistic about this conference, especially since the participants will never represent the regions. So how can you solve the problem of the regions without participation by its people in searching for these solutions?

The national dialogue conference in the format in which it is now being proposed would be like the round-table conference which was held following the October 1964 revolution and which did not lead to a solution of the problem of the south. When we discuss problems related to the regions or any federal proposal, we should rely on the views of the representatives of the regions and not just the views of the political parties.

[Question] Is it true that you are calling for the formation of a new political party?

[Answer] It is true that I feel that there is a vacuum in the political sphere which could pave the way for a new party; maybe this is the way out of the dilemma of the disputes and the splits within the traditional parties since it would form a challenge to these parties. Any new party such as this must address the problems of the people and their minds and must be interested in their basic problems rather than being preoccupied with internal disputes or side issues.

[Question] If a party such as this appears, can we expect you to be one of its founders?

[Answer] Yes.

[Question] Are contacts now under way to form such a party?

[Answer] Yes, there are contacts under way in this regard.

[Question] What is the story behind your name appearing in, and then disappearing from, the list of persons sought for arrest?

[Answer] The fact is that I do not know what the story is exactly. I was astonished that my name appeared in the list of persons whom the transitional government wanted to arrest, especially since I had left my position as governor of Darfur and had left Sudan in protest over the policies of the previous regime. I felt that the people who had put my name on this list were fair, but that they had not checked my positions vis-a-vis the previous regime which prompted me to leave my post. I also registered my position on the regime openly while Numayri was still in power. If the regime fell by virtue of the political strike, then I was the first to strike politically. That occurred when I left my position as governor and left Sudan in protest against the regime's method of rule.

Some of the brothers challenged the inclusion of my name on the list of persons wanted by the authorities; moreover, the authorities realized this mistake on their part and my name was withdrawn from the list.

IRAQ

## INDUSTRIAL, ECONOMIC DEVELOPMENT, POLICY CONSIDERED

Baghdad AL-THAWRAH in Arabic 22 Nov 85 p 3

[Article by 'Adnan Manati Salih: "The War and the Brilliant Horizons of the Course of Economic Development in Iraq"]

[Text] The Rich Experiment

During the past stage of the struggle for national independence, the experiment of the party has prospered... and it has discovered, profoundly, that the matter does not end with the matter of political independence, which has been achieved decisively. Rather, there is a strong connection between the preservation of free national will and the assurance of all of its political, economic, military and other needs, particularly within the context of undertaking large and complicated national and pan-Arab tasks. [The Central Report of the Ninth Regional Conference, June 1982]

The work of development in Iraq is not limited to modernization and development of the economic structure of the country alone, but includes all areas of social and cultural life.

Expressed differently, in the view of the 17-30 July revolution, the work of development is not meant only to achieve quantitative development for sections of the economy, but also to achieve qualitative development, because the process of socialist building in our country aims to achieve spiritual and material well-being for the people and to connect this to the work of building society. Based on this, the strategy of progress aims to realize quantitative and qualitative development in progressive plans and programs. This strategy is determined by two basic factors: the special socialist system and the pan-Arab dimension.

We aim, by this study, to throw light on the course of progress in the country through development of the industrial sector, which is one of the indicators of development for countries in general and a measure of economic development in particular. We start from a saying of the builder of the new Iraq, leader President Saddam Husayn, emphasizing that Iraq must become a "developed country, agriculturally and industrially," in spite of the war of aggression by the Iranian regime against our country and the Arab nation. This war has as one of its most prominent goals halting the renaissance of Iraq completely. But Iraq and its builder Saddam Husayn are resolved to continue the course of progress

side by side with the priority of developing our country militarily for the defense of Iraq and the Arab nation. This is the distinctive feature of the idea of the revolution and the work of building on the experience of other nations that have tackled courageously the adversities of war.

Before entering into the indicators of industrial development and information of the things achieved by this work according to the goals of the development plans for 1970-1974, 1975-1980 and 1981-1985, it is necessary to know the situation prevailing in this sector before the 17-30 July revolution, so that we can show that the development taking place in this basic sector is not just in the work of building the economic system but is in the work of building the socialist system, because, as leader president Saddam Husayn has said, the industrial sector will continue to be the primary sector in calculations on setting down the material bases for the practice of socialism.

Among the most outstanding characteristics of backwardness in this sector before the revolution are the following:

1. A lack of strategic industries and dependence on light consumer industries that were of a limited and scattered nature, with production insufficient to satisfy local consumption.
2. Reliance by consumer industries' production processes on foreign imports, a matter that made these industries dependent on the economies of foreign countries. This, in turn, had an effect on the products, particularly their price, which was subject to change and which was set by the price of materials used in the production processes of the exporting country.
3. The weak connection between the industrial sector and national resources. This was a result, in turn, of weak investment in these resources. Also, this sector was not well connected with the other sectors of the economy, particularly agriculture and foreign trade, due to the lack of export industries.
4. A decline in the level of productivity of industrial projects and a spread of the phenomenon of hidden unemployment plus poor distribution of workers among the industrial projects.

The importance of this sector is in the work of socialist building and in achieving economic and political independence. Because of the deep backwardness of this sector, the remedies of the revolution for this sector were radical. The 5-year development plans reflect this clearly.

As leader President Saddam Husayn has pointed out, the priority of this sector in socialist building appears in the following:

1. Its participation in setting down the material bases for socialist building by creating economic surplus.
2. Response to local consumer demand in the direction of decreasing the influence of foreign purchases on our practice of socialism, and, at the same time, participation in diversifying the make-up of our exports, which will lead to increased financial revenues for our country, particularly of hard currencies.

3. Response to the needs of other sectors of the economy, particularly the agricultural sector, including its needs for implements, machines, fertilizers and insecticides, so as to make Iraq, as president Saddam Husayn says, "a developed country, industrially and agriculturally," and, thus, exploitation of primary materials and agricultural products.
4. An increase in job opportunities and absorption of the surplus in the labor force in other sectors in light of the work of planning to redistribute the labor force over the sections of the economy.
5. Creation of a national industrial base to participate in strengthening the defensive capability of Iraq within the framework of the Arab dimension.
6. Rapid response by this sector, including response to technological development.

In order to encourage the industrial sector, the 17-30 July revolution set forth serious remedies to modernize and develop this sector. It relied on two policies: the first was the development of existing industries and the second the establishment of new industries, in order to achieve the basic tasks of this sector mentioned in the preceding points.

We can state the most outstanding indicators of development of the industrial sector according to the goals drawn up for it in light of the 17-30 July revolution, and in spite of the war, by noting the following:

1. An increase in the relative weight of industrial production as a component of GDP as opposed to decreased reliance of the GDP on the production of crude oil, since the domestic product for processing industries rose, in current prices, from 94.6 million dinars in 1968 to 187.8 million dinars in 1974, to 875.1 million dinars in 1982 and to 1.34 billion dinars in 1984. This reflects the great degree of development that has occurred in the industrial base of the country, particularly with the entry of industry into new manufacturing areas such as the iron and steel industry, engineering and electrical industries and mining industries such as phosphate and sulfur, in light of a policy of ideal utilization of national resources.
2. The development of processing industries. This indicator reflects economic development generally and industrial development in particular, in light of the establishment of industries to replace imports and the establishment of export industries. The value of production by processing industries rose, in current prices, from 266.5 million dinars in 1968 to 594.9 million dinars in 1974 and to 2,731.2 million dinars in 1984. This reflects the level of development that has occurred in those industries that form the primary base for the work of industrial development.
3. The determination to transform Iraq into a developed industrial country of the first rank explains the large increase in investment appropriations for the industrial sector in the development plans, where these appropriations rose from 39.5 million dinars in 1968 to 730.1 million dinars in 1984.

4. Development and strengthening of the role of the socialist industrial sector's leadership of the industrial base of the country. This role explains the rise of the relative importance of the value of production of the processing sector from 31.7 percent in 1964 to 39.3 percent in 1974 and to 59.5 percent in 1984. Moreover, the domestic production of processing industries rose from 41.5 percent of the socialist sector in 1964 to 47.1 percent in 1974 and to 63.3 percent in 1984.

5. Development of the mixed sector and strengthening its role in achieving the goals of industrial development, so as to gather the financial savings of individuals and direct them toward productive industrial investment and its integration with the socialist sector to speed along economic and social development in the country. The number of mixed-sector companies increased by 11. Their normal capitalization is 64 million dinars and their total capital investment is about 61 million dinars.

6. Development and modernization of the private industrial sector, giving it opportunities for development in order to serve the policies of socialist practice, because, as leader President Saddam Husayn said during his reception of a group of managers and workers in the industrial sector on 14 August 1984, this sector "is needed for socialist building. It is not fixed at one stage, but is fully in the historical process, because private activity is able to work with the fingertips and with pointed thought to enter into the intricate web of life. The socialist sector cannot replace it. On the basis of this analysis, we cannot imagine that we can achieve prosperity for the people unless we can achieve the best prosperity developed within life. We cannot do this without private activity continually developing in all areas without exception, whether that be in the areas of industry, agriculture, commerce or services." This is equivalent to requiring that private activity in the industrial area encourage production and a volume of investments that expands the industrial base of the country rather than making quick profits, which do not contribute to the task of development. According to President Saddam Husayn, this sector is still laggardly in the type of production and the volume of investment, in spite of the support that it has received from the leadership of the party and the revolution to encourage its effective role in the task of socialist building.

7. The task of socialist building in the country is connected to Arab industrial integration, as the central resolution of the ninth national conference of the party pointed out, considering that national and Arab politics are important political characteristics of development in Iraq, particularly in the area of heavy industry. President Saddam Husayn pointed this out when he said that building the base of heavy industry without connecting it to the Arab thinking of the ASBP makes us commit the mistake of anticipating stopping and not achieving the goal that is incumbent on us.

In fact this has been given concrete form by means of Iraq's participation in joint Arab companies and industrial projects and by its participation in Arab industrial organizations. Among these companies are the Arab Company for Industrial Investments, of which Iraq has a 16 percent share; the Arab Mining Company, in which Iraq also has a 16 percent stake; the National Company for

Industry and Mines, of which Iraq holds 16 percent; the Arab Company for Minerals, of which Iraq owns 25 percent; the Gulf Company for Aluminum Forming, of which Iraq owns 20 percent and the Somali Arab Mining Company, of which Iraq owns 33.3 percent. Iraq has also participated in the Gulf Organization for Industrial Investments, to which it contributes 17 percent of its annual budget, and the Arab Organization for Mineral Wealth. These indicators reflect the role of Iraq in supporting the task of Arab economic integration through the industrial sector.

It is important here to mention the most outstanding future goals and requirements set out by the central resolution of the Ninth Regional Conference of the party in the area of development of the industrial sector.

1. Continued broadening and development of the industrial base by means of entering into new primary fields in a direction that embodies leader President Saddam Husayn's affirmation that Iraq should become an industrial country of the first rank.
2. Continuing to connect the task of industrial building in the country with Arab industrial integration in order to serve Arab economic integration.
3. Continued qualitative and quantitative development of industry.
4. Continued study of technology transfer for suitability and for the adaptation and development of technology in accordance with the conditions and needs of the country and the Arab nation to bring about qualitative development in industry.
5. Solving the constrictions in the areas of industrial production and organization of the flow of raw materials, and concentration on national production of them.
6. Serious consideration of the economics of the industrial plan, not from the angle of capitalist profit but for the sake of providing the socialist accumulation needed to serve the progress of the model socialist system, to be a model of competence and development of high performance.

[Number 7 is omitted from the text]

We can add other tasks, including:

8. The need to avoid expansion of industrial production beyond the needs of domestic consumption and the goals set for other types of demand, or which does not have the ability to compete with foreign goods in price, quality or both.
9. Continuing to realize close connections between the industrial sector and the agricultural sector in light of a commercial policy that aims to develop them both, and, also, realization of close connections between the branches of industry.



10. Continuing to raise the competence of the workers in the industrial sector, because this helps to lower the costs of industrial production.

Beginning from the existence of a course of development, all of our goals are not then achieved, even if the course is a continually rising one. In each stage, new principle tasks stand out, demanding to be implemented. Therefore, achievement of the tasks that were mentioned in the area of industrial development does not by its nature make us achieve our desired development goals in material and spiritual human development and the building of society, because the course of development is connected with political factors and economic and social variables and conformity to circumstances given by the stage and the topic of study.

Thus it is clear that the task of industrial development has continued in its course without pause since the establishment of the 17-30 July revolution, even during the past 5 years of the war, even though our economic circumstances were affected by the Syrian regime's audacious decision to prevent the flow of Iraqi oil through Syrian territory in 1982. The industrial capability of the country developed and our petroleum potential has developed in terms of the following indicators:

1. Iraq has about 115 billion barrels in petroleum reserves in addition to 40 billion barrels that might be added during the next 5 years. With this, Iraq is second in the world in petroleum reserves.

2. Implementation of new petroleum exporting projects, the first of which is implementation of the first stage of a project through Saudi territory to the Red Sea. It has an export capacity of 500,000 barrels per day. Iraqi oil began to be exported through this pipeline on 30 September 1985. A second project is to export oil through Turkish territory, alongside the existing pipeline, to increase the amount of oil exported.

3. The fact that the current export capacity for Iraqi oil has reached 1.5 million barrels per day, which will rise to 2 million barrels per day in 1987 and to 3 million barrels per day in 1988. These figures do not include the export capacity through Syrian territory or the Arab Gulf.

Thus Iraqi ascendancy has become clear and conclusive in every area of military, political, economic, social and communications life. This contrasts with the decline and collapse that affects not only Iranian individuals but also all areas of life in Iran, particularly the military and economic areas. As our leader President Saddam Husayn said, "military supremacy is decisive, new openings have been made and, by the help of God, these openings in the area of the economy will develop, and the 6th year will be better than the 5th year of the war," especially after the destruction of Kharg Island, the basic source for financing the continued Iranian aggression, which will increase the depth of the military, economic, political, personal and social collapse in Iran so long as the Iranian regime does not respond to the call for truth, justice and peace.

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## ISRAEL

### PROGRESSIVE MOVEMENT FOR PEACE HOLDS FIRST CONFERENCE

Jerusalem AL-BAYADIR AL-SIYASI in Arabic 7 Sep 85 pp 35-36

[Article: "Constituent Conference of Progressive Movement for Peace; Extols 'Arafat's Wise Leadership; Internal Arab Support for PLO; Condemnation of Hafiz al-Asad's Sectarian Regime and Palestinian Dissidents"]

[Text] Under genuine and sincere national slogans--including "the PLO, which is committed to just Palestinian principles and precepts, has the right to negotiate in the name of our people"; "conscious steadfastness and diligent struggle are the bases of our movement for the sake of a liberated Palestinian state"; and "the progressive movement is an Arab heart and a sincere Palestinian voice"--under these and similar slogans in Hebrew, English, and Arabic, the constituent conference of the Progressive Movement for Peace was held in Nazareth from 22 to 25 August 1985 with the participation of delegations from the occupied Arab areas and of Israeli Arabs and also from the rational progressive Jewish groups which support the right of the Palestinian people to self-determination and the establishment of an independent state. The Progressive Movement thus reaffirmed itself as a legitimate social and political movement with its own constitution and institutions, following a difficult and arduous journey it has had to travel in the Israeli political climate. It is still being subjected to conspiracy by Israeli parties seeking Arab votes in total disregard for the legitimate rights of the Palestinian people and the Arab people within Israel.

On 21 April 1984, shortly before the slates of the 11th Knesset elections were formed, Arab personalities and representatives of the progressive national organizations met to discuss and debate two key questions:

1. Establishing a progressive Arab national organization to bring together Palestinian national progressive personalities living within the so-called Green Line.
2. Running for the Knesset on a slate independent of the other existing political parties.

This matter flashed a red light in parties and slates seeking Arab votes without political representation. Immediately following the founding of the Progressive Movement. Arab elements, including the al-Nahdah Group and the

Nazareth Progressive Movement Group, formed a coalition with the Jewish Progressive Alternate, led by Mati Peled, journalist Uri Avneri, Dr Ya'qov Arnon, and other members of the Israeli-Palestinian Peace Council. This coalition ran for the Knesset under the Progressive Peace slate headed by Knesset member Muhammad Mi'ari. Dr Mati Peled is an orientalist who used to be a Palestinian humanities professor before 1948.

The features of the Palestinian Arab National Progressive Movement, which is loyal to its Palestinian people within and outside the occupied land and which adheres to its just cause and national soil and opposes Israeli arrogance, were highlighted in the opening ceremony which included a large number of Arab and Israeli delegations from inside the homeland as well as from the occupied areas. Poet Fawzi Abdallah, the master of ceremonies, gave the opening address in which he said:

"In the name of the just cause of our Palestinian people and in the name of the cause of our Palestinian people inside our homeland which is a sacred, inalienable right and for the sake of which our strength must go on, and the cause of total equality and our right to live in dignity and freedom in our homeland, we proudly and respectfully announce the opening of the constituent conference of the Progressive Movement. This is an important turning point in the creation and progress of the movement which used to be the framework that commanded the greatest popular respect in our life since 1948. This framework was temporary and, as of today, the social and political organization process shall begin.

"We are quite aware of the serious circumstances in which the constituent conference is being held. On the Israeli level, the fig leaf covering the defects of the Israeli rulers is starting to shake. Nonetheless, they will not give up their arrogance, extremist methods, rancorous statement, and insane actions, particularly with regard to our Palestinian people and to us inside the homeland who are an integral part of this superb people who only die standing up. The rulers of Israel practice all sorts of methods and work on all fronts, including the dreadful, odious occupation through which they engage in all sorts of oppression, national discrimination, injustice, and tyranny on the West Bank and the Gaza Strip and against us as well, foolishly announcing the possibility of peaceful coexistence, as though peace is a marketable slogan rather than rights, justice, and equality.

"The rulers of Israel are completely and primarily responsible for all the fascist and Kahanist movements spread all over the country, and on the West Bank and Gaza as well, in a way that threatens first and foremost Israel itself. These are stray sheep being defended by a minister or a foolish rabbi like Kahana, Rafal, Abidou, Geula, and a long list of others. We hope God will guide them to the right path soon.

"We in the Progressive Movement and the Progressive List for Peace highly value the role of those progressive Jewish brothers who have become a scapegoat for Judaism because they reject all the morbid factors and phenomena rampant in Israel, because they actually work for the recognition of the Palestinian people's right to establish their own independent state on

national soil side-by-side with the Israeli state and because they repudiate this conflict because the crux of the conflict in the Middle East is the Palestinian question. Moreover, the (Jewish) brothers are working for total equality among all citizens in Israel. They are the progressive vanguard which is cooperating with the Progressive Movement and is seeking to broaden its dealings with it to the advantage of the Palestinian and Jewish people and that of all the citizens of the state.

"We are well aware of the circumstances under which the conference is being held. Arab and international reaction is struggling with American colonialism over the rights of the Palestinian people, but we do not fear for our people because they have become a highly productive olive tree.

"We in the Progressive Movement have a sound Palestinian perspective. We have and still declare that the PLO is the sole legitimate representative of the Palestinian people. The PLO, through its elected democratic leadership, is free to act on all political issues and is capable of overcoming oppression and eliminating injustices. The Palestinian legitimacy is indivisible for it is not a garment we don whenever we please and shed whenever we please. It is neither a commodity nor a mood nor a state, it is an established fact."

Fawzi Abdallah was followed by Rashid Salim who delivered a long and comprehensive speech in which he reviewed the communique of the Progressive Movement's regional administration. He reviewed the prevailing conditions and circumstances and the problems plaguing the movement since its establishment. He focused on the right of the Palestinian people to set up their own independent state, saying that the Lebanese have exposed the tattered Arab regime's feeble reality to the whole world, and to the Arab peoples in particular. This regime watched the Palestinians being massacred before the Israeli legions at the hands of the Syrian and Lebanese forces and the Amal militias without voicing even a protest and without allowing their peoples to stage a protest against such barbarous massacres.

Dr Rashid Salim touched on the Jordanian-Palestinian plan, saying: "Whereas we have confidence in the PLO and its ability and whereas we believe in its legitimacy, its collective democratic action and its independent decision-making process, we can be assured that this leadership will adopt decisions it deems appropriate for the settlement of the Palestinian questions in accordance with prevailing precepts and circumstances."

Dr Abd-al-Raziq Rashid, dean of student affairs at al-Najah National University, delivered a speech in which he saluted the Progressive List, saying: "The circumstances are not free of difficulties and we are aware of the extent of the obstacles and the gravity of the problems facing us as Arabs and Jews. We have a common mission, so let us fulfill it hand in hand and shoulder to shoulder."

Dr Thabit Ahmad Thabit, president of the dentists union on the occupied West Bank, gave a brief speech in which he said: "It is not strange to see such rallying around your movement, for it emanates from the tragedy we both share.

You have long endured the problems of the Palestinian struggle. We salute and support all groups which believe in our people's right to self-determination on our land through the establishment of our Palestinian state on our blessed land."

Journalist Uri Avneri, leader of the Alternative List, who had formed an alliance with the Progressive Movement, thus forming the Progressive List headed by Knesset member Muhammad Mi'ari, gave a speech in which he said: "For 37 years, I have waited for this day on which a proud and high-minded Palestinian Arab movement is born so that we may cooperate together in our common struggle for the sake of peace. No peace can exist between master and slave or between oppressor and oppressed. Peace can only be established among proud, lofty people.

"The Progressive Movement is a Palestinian movement very proud of its identity."

#### Final Communiqué

1. The Palestinian masses in Israel are a vital and integral part of the Palestinian people as a whole who are part of our Arab nation. They can contribute to the establishment of a just peace between the two peoples.

2. The Palestinian masses in Israel are a fraternal ethnic minority with national rights. The Israeli authorities have to acknowledge them and deal with them on this basis as well as on the basis that Israel is a state of all the people.

3. We the Palestinian Arabs in Israel who are citizens with full citizenship rights carry the appeal of the Arab and Jewish masses in Israel and the world regarding the Palestinian people's right to self-determination for the sake of establishing a just and lasting peace in the region and for full equality between us and our Jewish brothers in the state.

4. The Palestinian cause is a question of existence, rights, and the future of humanity and of the Palestinian people, as set forth in various UN resolutions and of their self-determination and the establishment of an independent state on their national soil, side by side with Israel under the leadership of their sole legitimate representative, the PLO.

5. Respect and support for an independent Palestinian national decision-making process through legitimate Palestinian institutions and rejection of all endeavors at tutelage and containment, regardless of the source.

6. All the countries of the world, Israel and the United States in particular, are asked to recognize the PLO as the sole legitimate representative of the Palestinian Arab people.

7. Israel must totally withdraw from all Palestinian territory occupied in 1967, foremost among which is Arab Jerusalem, and must restore these areas to their rightful owners, namely the Palestinian Arab people, for the sake of a just and lasting peace.

8. Israel must work for getting the region out of the war vortex and must divert all efforts to establish a just peace with our Arab nation, at the head of which is our Palestinian people, and to remove all the causes of war, displacement, persecution, and expansionism.

9. Conscious and persistent struggle against all plans aimed at squandering Palestinian national rights and liquidating the Palestinian cause and at spreading colonialist hegemony over our entire region, the Camp David plan and its outcome in particular such as the autonomy plan, the so-called Jordanian option put forth by the Labor Alignment Party, the Reagan plan, and the rest of the plans and interpretations that ignore the free, independent Palestinian will.

10. Reaffirmation of the necessity to put an immediate stop to all settlements on Arab soil and of the government's obligation to uphold international law and practices and to carry out the resolutions of the international community represented by international agencies and organizations, chiefly the United Nations and its official institutions.

11. Support for the national struggle of the inhabitants of the Arab Syrian Golan Heights in their endeavor to retain their national identity and full rights to their land and properties, as well as their right to self-determination, and to work for the total and unconditional Israeli withdrawal from occupied Syrian territory and from South Lebanon.

Regarding internal conditions and policies, several resolutions were adopted, all calling for true and complete equality among all citizens in the state of the various cultural, political, social, and union fields. They also called for eliminating all kinds of discrimination, chiefly those laws and regulations which discriminate in letter and spirit against the Arabs. They are: the emergency regulations of 1945, the real estate laws, the absentee landlord laws, and the repatriation law as well as the social laws such as the national insurance law, the large family law, and laws that discriminate against Arabs in universities with regard to tuition, scholarships, and dismissal and admission requirements.

Moreover, the conference called for raising the level of education among Arabs and for the introduction of all modern educational fields and courses and for industrial and technological instruction. It also called for a radical change in required courses and curricula in Arabic schools, by recruiting them in a way that respects the Palestinian national heritage, history, and literature and enhances the students' pride in their Palestinian and Arab identity and for the establishment of an Arab university and modern theoretical and vocational schools and research centers. The conference further called for respect for religion and belief and for freedom to practice religious rites for all citizens, each according to his persuasion. The movement calls for the complete preservation of all religious and historical sites, particularly mosques, churches, and cemeteries, and for their return to their owners. It also calls for all kinds of efforts for the liberation of the Islamic "waqf."

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KUWAIT

RELATIONS WITH WEST GERMANY EXAMINED

Riyadh AL-RIYAD in Arabic 4 Sep 85 p 15

[Article: "Dossier of Kuwaiti-German Relations; Kuwait and Germany Meet Within Framework of Arab-German Relations and Under Canopy of Friendship and Participation in Building Civilization; 1982 German Exports to Kuwait More Than 1 Billion Marks and Kuwaiti Exports to Germany 400 Million Marks"]

[Excerpt] Kuwait--KUNA--Hans-Dietrich Genscher, West Germany's minister of foreign affairs, concluded his official visit to Kuwait 2 days ago (Monday). Genscher was accompanied on his visit by a political, economic, and technical delegation comprised of 50 members to discuss the area's issues and Kuwaiti-FRG bilateral relations. The KUNA [KUWAITI NEWS AGENCY] Information and Research Department published the following report on this occasion:

Kuwaiti-German relations have represented an example of the balanced and firm relations between the Arab and German nations for a long time. They are relations that are characterized by empathy and that have witnessed a flourishing of political, economic, and cultural relations. Like any other international relationship, these relations have also experienced shakiness and decline in certain phases.

Within the framework of Arab-German relations, the State of Kuwait and the FRG try to meet on the principle of seeking to establish cooperation between states for the development of the peoples' legitimate interests under the canopy of friendship and participation in the building of civilization and of entrenching the foundations of world peace.

Even though the two states differ in national, geographic, and historical affiliations and even though the policy of each of them follows the course which the state views as achieving its principles and as being compatible with its interests, no clash has occurred between the two states in exchanging joint interests because the two countries' relations have been founded on and have developed in the context of mutual respect between them, of a full understanding of their interests, and of their eagerness to develop these interests.



Kuwait and the FRG exchange diplomatic representatives at the ambassadorial level and contacts are established between the two sides at the political, economic, cultural, and scientific cooperation levels through the exchange of visits by the two states' officials and through the conclusion of economic and scientific agreements.

#### Joint Cooperation in Solar Energy Research

The current visit to Kuwait by the FRG minister of foreign affairs comes within the framework of constant and direct contacts between the two countries and as a result of the talks held by Dr Volker Hauff, FRG minister of research and technology, in May 1978 with officials of the Kuwaiti Ministry of Electricity and Water. At that time a joint protocol was issued containing the outcome of the talks and the agreements concluded between the two sides in the sphere of scientific and technological cooperation and of bolstering the joint activities of mutual interest that are capable of bolstering the ties of friendship between the two countries.

It was then decided to establish firm relations between the research institutes, including the industrial research facilities, and to give priority to studies on energy, water desalination, and biotechnology.

In those talks, the two sides expressed their satisfaction with the fact that the first joint project for the generation of electricity from solar energy had been started. It was also agreed to set up other joint projects in the sphere of solar heating and cooling and the sphere of reverse osmosis for the purpose of desalinating sea water and underground saline water.

When Dr Heinrich Wersdoerfer assumed his position as FRG ambassador to Kuwait at the beginning of 1982, he made a press statement in which he lauded the strong relations between his country and the State of Kuwait, saying that there are numerous economic spheres that bind the two friendly countries and that he had noticed a sincere desire on the part of Kuwaitis to invest in West German firms.

He added that his country ranked second behind the United States in attracting Kuwaiti investors.

#### More Than 1 Billion Marks in German Exports to Kuwait in 1982

In February 1982, Lothar Spaeth, minister president of the Land of Baden-Wuerttemberg of the FRG, paid a visit to Kuwait during which he met with his highness the amir of Kuwait, his highness the crown prince and prime minister, and prominent Kuwaiti officials.

At a press conference he held before returning to his country, Spaeth announced that the value of German exports to Kuwait amounted to 1.4 billion marks while the value of Kuwaiti exports to the FRG amounted to 400 million marks.

The direct investments made by German firms in Kuwait amounted to 5 million marks whereas Kuwaiti investments in Germany amounted to 363 million marks.

Spaeth also announced that he had visited the solar energy project of the Kuwaiti Scientific Research Institute, the new project for the desalination of water by the process developed by the FRG, and the (NAMISTO) Truck Assembly Company in al-Shu'aybah area, which operates on a license from the German Magirus Deutz Firm.

The general director of Stuttgart University visited Kuwait at the same time as the head of the delegation which held cultural cooperation talks with the director of Kuwait University.

Dr Otto Graf Lambsdorff, the FRG minister of economy, visited Kuwait in January 1980 and in December 1982 and his talks with Kuwaiti officials focused on strengthening trade and economic relations between the two countries under the canopy of the economic developments being witnessed in international economic activity.

#### Cultural Cooperation

At the level of cultural cooperation, the Institute for Studying the History of Sciences Among Arabs and Muslims has been set up in Frankfurt with the encouragement of Kuwait and a number of Arab and Islamic countries. Kuwait contributed 6 million marks to provide the proper premises for the institute. 'Abd-al-'Aziz Husayn, then minister of state for premiership affairs and chairman of the National Council for Culture, Arts, and Literature, attended the first meeting held in Frankfurt by the officials in charge of the institute project in February 1981 to draw up the institute's constitution and to form the board of trustees with the participation of a number of Arab ministers of education.

On 19 January 1984, Gerhard Stoltenberg, the FRG minister of finance, gave KUNA an exclusive interview in which he praised the wise and far-sighted policy followed by the State of Kuwait in the sphere of foreign investments, saying that his government welcomes all the beneficial investments made by the friendly Arab Gulf states, led by Kuwait, especially in the strong industrial sectors that are not affected by transient economic difficulties.

On 27 January 1984, Anton Jaumann, minister of economics and transport of the Land of Bavaria of the FRG, visited Kuwait and held talks with prominent Kuwaiti officials, focusing on bilateral relations and the means to bolster them in the various spheres. The talks also dealt with the possibility of setting up joint production projects and of strengthening trade exchanges, as well as the possibilities for Bavaria to expand the spheres of exporting agricultural and manufactured products to Kuwait.

On 28 March 1985, Albert Probst, undersecretary in the FRG Ministry of Research and Technology, underlined in an exclusive interview with KUNA



his country's readiness to continue bolstering cooperation with Kuwait in the sphere of scientific and technological research.

He said that the new projects that are possible to achieve in the coming years will be defined on the basis of Kuwait's resources and of the priorities Kuwait establishes in its development plans generally and in the sphere of scientific and technological research in particular. He noted that the water problem and the energy sector, especially the use of solar energy to desalinate sea water and to develop agricultural technologies for desert lands, are among the spheres that offer an enormous potential for new scientific projects that are economically beneficial to both countries.

Statistics issued by the Central Bank of Kuwait show that Kuwait's imports from the FRG rose in 1980, 1981, and 1982 to 151.5 million dinars, 233.8 million dinars, and 332.6 million dinars, successively, constituting 8.6 percent, 12 percent, and 13.9 percent, respectively, of Kuwait's total imports. As for the yield of long-term government bonds in 1980, 1981, 1982, 1983, and 1984, it fluctuated as follows: 9.19 percent, 9.71 percent, 7.90 percent, 8.38 percent, and 7.17 percent, respectively.

AL-IQTISAD magazine, published by the Kuwaiti Chamber of Commerce and Industry, cited the following statistics on FRG exports to Kuwait in 1980, 1981, 1982, 1983, and 1984: 899 million marks, 1.4 billion marks, 1,977,000,000 marks, 1,971,000,000 marks, and 1,789,000,000 marks, respectively.

#### Political Relations

At the level of political relations, Gunther (Van Viel), undersecretary of the FRG Ministry of Foreign Affairs, visited Kuwait in February 1981 and held talks with Rashid al-Rashid, then undersecretary of the Kuwaiti Ministry of Foreign Affairs, on bilateral relations between the two countries in particular and on Arab-German relations generally. Al-Rashid stated that the discussion also dealt with the issue of Arab-European cooperation through the Arab-European dialogue. Al-Rashid further noted that the discussion dealt with the Middle East area situation and said that he had explained to his German counterpart Kuwait's position on a number of international issues. Al-Rashid added: We stressed to him the need for European countries to play a more effective role in solving the Middle East issue and in implementing the UN resolutions in this regard.

Al-Rashid also pointed out that (Van Viel) had lauded the friendly relations between Kuwait and West Germany and underlined his country's wish to develop and enhance these relations and also to develop cooperative relations between the European group and the Arab Gulf states.

On 25 April 1981, a German parliamentary delegation headed by the FRG minister of education and sciences visited Kuwait to establish relations with the Kuwaiti National Assembly for the sake of future cooperation.

The delegation chairman lauded the return of parliamentary life to Kuwait, saying that Kuwait has a clear concept of its future policies. He also said that his country not only seeks to establish economic cooperation but also wants comprehensive bilateral cooperation between the two countries.

The visit made to Kuwait by Hans-Dietrich Genscher last Monday has bolstered political and bilateral contacts between Kuwait and the FRG.

#### GCC States and European Market

The German minister of foreign affairs has his political positions and opinions on the Palestinian issue, the Middle East issue, the Arab-European dialogue, East-West relations, and efforts for disarmament and to curtail the international armaments race.

In an address he delivered to a ceremony held by the Union of the Near East and Middle East, Genscher said: The FRG will soon present tangible proposals for regional cooperation between the EEC countries and the GCC countries similar to the kind of cooperation found in the Southeast Asia Countries Group.

He said that he believes in the need for such cooperation, which is beneficial to both sides.

He added that his government welcomes regional cooperation with the GCC countries and welcomes the GCC's participation in efforts to seek social and economic progress and political stability.

He also expressed the opinion that the "possibilities of firmer political and economic cooperation between the EEC and the GCC" have not been exploited as they should.

Genscher also underlined the importance of the role which the GCC countries will play in the future, especially since they produce nearly 20 percent of the world's crude oil and since they possess 55 percent of the oil reserves discovered so far.

Genscher stressed that the GCC countries contribute strongly to the efforts for stability in the Gulf area and that the dangers emanating from the Iraq-Iran dispute have highlighted the need for this cooperation in a stronger manner than in the past.

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KUWAIT

KUWAIT STRUGGLES TO MAINTAIN DEMOCRACY

Paris LE MONDE in French 26 Nov 85 pp 1, 4-5

[Article by Jean Gueyras: "Kuwait: The Emirate Without Despotism"]

[Text] Kuwait--At the Kuwait International Airport, no special security measures would indicate that this rich oil emirate in the Gulf lives under the constant threat of the expansion of a war some 60 kilometers north that has been waged by its two powerful Iraqi and Iranian neighbors for 5 years. It is even calm in the city; most of the public buildings have no extra protection. Only a few ministries are protected against possible boobytrapped cars. An army tank guards the French Embassy. The American Embassy has been turned into a veritable bunker and is protected by an imposing security arrangement. These two diplomatic missions were the targets of bombings in December 1983.

The attempt to assassinate Kuwaiti Emir Jaber el Sabah in May 1985 and, a month and a half later, the two bloody attacks on popular cafes located on the road were followed by police measures in the capital: mobile barricades of the gendarmerie and searches, especially at nightfall. Since that time, the casual attitude that is one of the distinctive traits of Kuwaitis has gained the upper hand. Inspections have become less frequent, except at the entrance of certain supermarkets, where guards carelessly go through housewives' bags.

When one questions Kuwaiti officials about the authors of the May and July attacks, one obtains evasive replies: "We know absolutely nothing. The investigation led nowhere, contrary to what was stated," we were told by Souleymane Chahine, undersecretary of state for foreign affairs. "We have never challenged Iran and Syria. I think that we are rather dealing with an elusive form of terrorism that has become an international means of expression, an endemic disease of modern times."

And yet, the attempt to assassinate the emir was claimed by the Islamic Jihad. "That means nothing," says Chahine. "We attach no importance to such labels, which for us have no special significance." At the time, the Jihad had demanded the release of 17 Arabs, most of them Lebanese or Iraqi Shiites sentenced after the December 1983 attacks. "Those persons were tried properly by Kuwaiti courts and had ample opportunity to defend themselves. There can be no question of our going against rulings handed down by our own courts of justice and freeing them." Kuwaiti officials are quite determined not to

yield to the terrorist blackmail, but they are also very cautious and determined to avoid any useless provocation. Consequently, death sentences pronounced against three of the terrorists were not ratified by the emir and probably will never be.

In the meantime, sometimes brutal deportation measures were taken against some 6,000 "suspects," most of them Lebanese, Syrian or Iraqi nationals and mainly Shiites, who, according to Kuwaiti authorities, maintained relations with the Lebanese Shiite movement Amal and paid regular contributions to it. Some of those deported had resided in the country for many years but nevertheless had only 48 hours to pack their bags!

Actually, the real figure on the deportees reportedly amounts to some 15,000 and includes immigrant workers without legal documents. It would appear that the authorities took advantage of the attacks to "clean up" the labor market on which the relatively unskilled Arabs are gradually being replaced by Christian Asians (Filipinos or Singhalese) less demanding about their pay and caring little about regional and local politics.

#### Aid to Iraq: an "Arab Obligation"

The attempts on the part of some newspapers to rouse public opinion against the Kuwaiti population of the Shiite religion lasted for a long time. No one here believes that the Kuwaiti Shiites, who since the beginning of the conflict in the Gulf have adopted a low profile and are divided with respect to their view of the Khomeyni phenomenon, participated in those attacks. Whatever the case, Kuwaiti officials have never questioned native Shiites, who make up about a quarter of the population and are considered as "first-class" citizens enjoying all the rights provided by the constitution. Officials also try not to poison relations with Iran, which maintains a large embassy in Kuwait.

When questioned about Kuwait's precise position on the conflict in the Gulf, emirate officials willingly admit that they are helping Iraq. "You must not forget," they say, "that we are an Arab nation and have an Arab obligation in the definition of our foreign policy." Of what does that aid consist? First of all, there are the transit agreements -- no one here denies them -- that allow Iraq to receive goods through Kuwaiti ports that cannot be unloaded at its Chatt-el-Arab ports, paralyzed since the beginning of the conflict. The Kuwaitis say on this subject that these agreements exclude the transit of any strategic materiel that might facilitate the Iraqi war effort. But how is one to determine the true nature of the shipments? Did the rails seized by Iranians on the Kuwaiti freighter "Al-Wattyeh" early in September at the entrance to the Strait of Ormuz constitute strategic materiel or were they to be used for strictly civilian purposes?

Actually, the major portion of Kuwait's aid is financial assistance supplied by the emirate jointly with Saudi Arabia, the two countries selling Baghdad 300,000 barrels of oil a day, meaning all offshore production from the neutral zone jointly administered by Kuwait and Saudi Arabia. Some say, with the secret intention of pacifying the Iranians, that this aid will be interrupted as soon as Iraq's oil production has increased by 500,000 barrels a day with

operation of the new pipeline connecting Iraqi oil fields to the Saudi port of Yanbou. On this point, Kuwaiti officials remain very discreet, obviously wishing not to upset Iraq, which deems that the financial aid supplied by Saudi Arabia and Kuwait comes from Bassorah Province.

Above all, they have not agreed to join with the emirate in signing an agreement precisely defining the border separating the two countries. This would indicate that Baghdad still has territorial claims to present to the oil emirate. In particular, the Iraqis would like in one way or another to control the Kuwaiti islands of Boubiyan and Warbah, which command access to the Iraqi port of Oum-el-Qasr. In order better to assert their sovereignty over these practically uninhabited territories, the Kuwaitis have established a symbolic armed presence on the two islands, setting up permanent military barracks. In addition, they have linked Boubiyan to the continent by a bridge built in 1982 by Bouygues and are trying to develop in the interior of the island a road system which they also plan to link to Warbah by a bridge.

Endowed with practically undefendable borders and an army that cannot reasonably hope to compare with its powerful neighbors, Kuwait was among the staunchest supporters of the creation of the Gulf Cooperation Council (CCG) as an instrument aimed at maintaining the oil monarchies safe from hegemonic aims and ambitions, not only on the part of Iran, but also certain Arab countries never mentioned, particularly Iraq and Syria. Only Saudi Arabia, the oil monarchy par excellence, remains above any hegemonic suspicion. But a muted rivalry has sprung up within the CCG between Kuwait and Ryad, now two antagonistic poles of attraction within the Council.

Regarding international relations, Kuwaiti leaders, who, while reaffirming their attachment to the West, recommend strict neutrality between the socialist camp and the United States, try to convince their partners in the CCG to re-balance their foreign policy by normalizing relations with the USSR and countries of the socialist bloc and remaining at a certain distance vis-a-vis Washington. With the recent decision of the sultanate of Oman to establish diplomatic relations with the USSR, Kuwait has just won an initial victory in that field. On the other hand, the emirate has still not succeeded in persuading its partners in the Council to follow its example by instituting a kind of parliamentary democracy in their countries resembling the Kuwaiti model.

#### Who Threatens the Democratic Experience?

As far as they are concerned, the Kuwaitis are firmly determined, despite the many pressures to which they are subjected by some of their allies in the Gulf, to continue their parliamentary experiment. In officially opening, amidst great pomp at the end of October, the new and imposing ultramodern National Assembly building, the emirate's officials wanted to demonstrate that for them, there is no other path than parliamentary democracy. Everyone here agrees that "without the National Assembly, Kuwait would no longer be Kuwait."

But who then opposes the Kuwaiti parliamentary experiment? The answer to this question generally remains elusive. But Ahmed Rabei, the new deputy from the Democratic Rally, is absolutely categorical. For him, "the No 1 enemy of

Kuwaiti democracy is Saudi Arabia" and some of the "countries that surround us who do not even know what a constitution and the most elementary human rights are." Three members of the Democratic Rally were elected to Parliament in February, including the veteran of Arab politics Ahmed Khatib, one of the founders, along with Georges Habache, of the Arab Nationalist Movement in the early 1950's. These three leftist deputies, along with the two elected officials from the National Rally of Jassem El Qatami, a pro-Nasir faction, constitute the nationalist leftist bloc whose activism in August 1976 was partly the cause of the suspension of four articles of the constitution and the dissolution of the Assembly for nearly 5 years.

#### Less Virulent Islamists

The leaders of the Democratic Rally have often been labeled as "crypto-Marxists," which they vigorously deny, pointing out that their program has no Marxist claims, but only democratic slogans. Ahmed Khatib, who in 1963 was a member of the first Parliament, who drafted the emirate's constitution, never misses an opportunity to define his movement as a rally of "constitutionalists, democrats and nationalists slightly tainted with leftist ideas." Toning down his radicalism of a dozen years ago, he repeats to all who would hear that, compared with other Arab countries, "we live in a paradise here in Kuwait."

The nationalist leftist bloc was the big loser of the February 1981 elections that permitted the "Islamists" representing fundamentalist religious factions grouped together to enter Parliament in force. They then numbered seven religious deputies, including four Sunnites, representing the *Islahiyyin* (reformists) of the somewhat liberal Society for Social Reform (two deputies) and the *Salafiyyin* (precursors) of the Society for the Renaissance of the Islamic Heritage (two deputies). The Shiites, for their part, were represented in Parliament by three deputies belonging to the Society of Social Culture, vaguely pro-Iranian.

The number of "Islamist" deputies reelected to the new Parliament is practically identical to that of the 1981 elections. But the most extremist among them were blackballed and replaced by moderates wishing to reconcile Islam and nationalism. Thus it was that the famous and picturesque Khaled Sultan, the leader of the *Salafiyyin*, disappeared from the political scene. He had frightened and amused Kuwaitis by his long tirades on Islamic morals. In particular, he had managed to have alcohol banned even from foreign embassies and had futilely tried to impose the severe Puritanism of the *Salafiyyin* on Kuwaiti society. The *Salafiyyin*, distinguished from the *Islahiyyin* by their full beards and a mini-*dishdasha* (a short robe stopping just above the knees), which garment would, according to them, be worn by the "real disciples of the Prophet," recommend a return to the "simple life of the time of Muhammad."

Among the "Islamist" moderates elected to the new Parliament is, first of all, Deputy Abdallah Nafissi, a Muslim Brotherhood professor who became a liberal following frequent visits to Cambridge, where he studied. In 1978, in a stunning work, he criticized the "antidemocratic positions" of the reigning family, which caused him to be driven from the university. His passport was confiscated and not given back until 15 months later. Since that affair, he



has taught abroad, first at Exeter University in England, then in Abu Dhabi. He did not return to Kuwait until the beginning of the year to take part in the elections.

Since his entry into Parliament, he has become the de facto spokesman of the Islamist group whose religious extremism he often tempers. "The only disagreements existing between us and Nafissi," we were told by Ismail Chatti, editor of the weekly AL MOUGTAMAA, which reflects the views of the Islahiyyin, "stems from the fact that, unlike most of us, he does not live in a religious environment." Nafissi, who was elected from the same district as Ahmed Rabei, with whom he gets along perfectly; says that his political conceptions coincide essentially with those of the Progressive Rally. "We both place emphasis on the importance of social justice and political democracy," he said. "We agree on almost all points except the problem of religion and Islam, which our progressive friends would like to see remain inside the mosques."

#### Young, Educated, Effective Deputies

Together, Nafissi and Rabei, both formidable speakers, have waged the battle against Cheikh Salmane El Daij, the Kuwaiti minister of justice, accused of having promulgated laws on the crisis of Souq el Mankh favoring members of his entourage. Pressed with questions -- a right which the constitution grants deputies -- Cheikh Salame, who is part of the ruling family, lost his cool and lashed out at his censors before admitting defeat and resigning from his position. The government that in the beginning had supported the minister of justice let him go as soon as he made the fatal mistake of indiscriminately bombarding the deputies who questioned him with accusations.

In this first test of strength against the Executive Branch, the new Assembly turned out to be more serious and effective than those preceding it. The average age of the deputies in the New Assembly varies between 34 and 43 and the proportion of professors went from 34 to 46 percent. Elected officials do not hesitate to surround themselves with advisers or experts instructed to draw up precise dossiers on subjects on the agenda.

In other words, the 15 members of the government, most of them apolitical technocrats whom the emir appointed, will have their task cut out for them. The new deputies have let it be known, moreover, that they do not want any rump Parliament whose sole function would be to ratify decisions made above. Rather, they want a "muscle reform" of institutions and society, along with restoration of public morals, with the total eradication of corruption. Chatti does not hesitate to affirm: "We are now strong and we want to act first of all by applying the spirit of the constitution and then by controlling the application of the principles it contains. The government and the ruling family must participate in this undertaking of public wholesomeness." Rabei, the dynamic deputy from the Democratic Rally, believes, for his part, that Parliament must play the role of the "watchman of government."

It remains to be seen whether the government and the palace are ready to accept the interplay of the elected officials by turning Parliament into a real instrument of control of the Executive Branch.



## Disagreement on Santa Fe Affair

At the beginning of October, Prime Minister Cheikh Saad, speaking through the minister of state for Cabinet affairs, Rachid El Rachid, sent a scarcely veiled warning to the deputies, firmly asking them to put an end to the campaign of denigration waged against the minister of oil, Cheikh Ali Khalifa. The latter, like the unfortunate minister of justice who resigned from office in July, is a member of the royal family and for some time has been on the hot seat for his management of the Ministry of Oil and especially, the very unusual circumstances that, according to some deputies, surrounded the purchase of Santa Fe, an American engineering company bought in 1982 by the Kuwait Petroleum Corporation (KPC).

But Cheikh Ali Khalifa is not Cheikh Salmane el Daij. He is considered to be one of the most talented ministers in the current government and enjoys the complete confidence of the government and ruling family, which thrice rejected his offer to resign. Moreover, he has acted up to now with remarkable sangfroid and seems willing to respond impassionately to questions asked by the deputies. Abdallah Nafissi, who, he revealed, asked him a series of 33 questions, not only brings up the Santa Fe affair, but also his management of the KPC and his "refusal to 'Kuwaitize' the oil industry, now managed by Arab or foreign personnel, while the country has a large number of capable technicians and experts."

The outcome of the Santa Fe battle will probably determine the future of the parliamentary institution in Kuwait. Already rumors are circulating in the capital on a possible dissolution of the National Assembly if the deputies are not reasonable enough. There is talk of "disagreement" in the palace on the subject and members of the Jaber branch of the family of the Sabah are reportedly for continuation of the parliamentary experiment, while the Salem branch, headed by prince and heir Cheikh Saad, is said to favor, rather than outright dissolution, the muzzling of Parliament, which would then be nothing more than a "recording chamber" destined to give a "democratic luster" to the Sabah regime.

The threat to Parliament is taken seriously by the deputies, who are determined to remain firm on the principles, without giving rise to useless provocations that would play into the hands of those who, among the businessmen in Kuwait, believe that the National Assembly interferes "too much in things that are not its business." "Naturally," says Ahmed Rabei, "there are in the government and the country forces that are hostile to the continuation of the parliamentary experiment, but they are not sufficiently strong, for the National Assembly is very popular and will be able to overcome all attempts to diminish its role."

Nevertheless, to do so, the current Islamist-nationalist opposition would have to maintain its cohesion threatened by the controversial problem of mixed university education and through it, the role of women in Kuwaiti society.

## But Women Do Not Yet Vote

In officially opening, in February 1981, the new National Assembly elected after a parliamentary recess that lasted nearly 5 years, the head of the government, Cheikh Saad, said that "it was high time that women participate more actively in the planning and leadership of the country's affairs." This little phrase pronounced by the prime minister, who is at the same time the heir to the throne and therefore the future reigning emir, gave immense hope and unlimited optimism to the feminist movement. It was in fact interpreted as a green light to the country's leaders to grant women the right to vote and to be elected to Parliament.

But the illusion was short-lived. If he had truly wanted to grant women their political rights, the prime minister, who had exceptional powers during the 1976-1981 period when Parliament was dissolved, could have made a decision in that sense by decree, as the constitution expressly provides. The statements by Saad were therefore circumstantial remarks uttered to calm the women's impatience. They saw this only 2 weeks after the speech, when the deputies refused, by a vote of 27 to 7, to grant them the long-awaited right to vote.

The National Assembly's decision was all the more frustrating because Kuwaiti women had at the time won a series of important victories against masculine prejudice at the time. Moreover, the constitution grants them the right to property and work and unreservedly condemns any discrimination based on sex, race or religious beliefs. Regarding elections, however, it says only that all "first-class citizens" have the right to vote. It is the election law that denies it to women.

In practice, the Kuwaiti woman is the most "liberated" in the Gulf and participates in practically all public activities. She can drive a car, which is not the case of her Saudi sisters, and take up an active and independent professional life. In Kuwait, one meets Western-type businesswomen who own and head banks, factories or businesses. Others have high posts in the administration and the government and there are at least five who are undersecretaries of state, one in the Ministry of Oil. After the crash of Souq el Manakh, it was noted that women were the most avid speculators. Out of the 90 persons whose assets were frozen by authorities responsible for rehabilitating the financial situation of the parallel stock exchange, 25 were women.

## Koran, Cooking and Children

If women do not succeed in obtaining their civic rights through their struggle, they owe it partially to their own divisions. Of the four organizations that deal with their problems, only two: the Young Women's Club and the Women's Cultural and Social Society, are totally committed to the battle to defend women's rights. The third, the Society for the Defense of Islam, is little interested in the feminist movement, while the fourth, the Society for the Propagation of Peace, openly Islamist and constituting the feminine branch of the Society for Social Reform, which defends views close to those of the Muslim Brotherhood, is categorically opposed to granting the right to vote to women. Even worse, Cheikha Latifa, the wife of prince and heir Cheikh Saad, is, unlike

her husband, a passionate antifeminist and honorary president of the Society for the propagation of peace.

The attitude of the "Islamists" on the problem of women voting seems somewhat illogical, moreover. Ismail el Chatti, one of the leaders of their liberal faction and editor of the weekly EL MOUJTAMAA, is astonished that one can accuse the religious of being against women voting. According to him, "it is the traditionalist tribes in the country, largely represented in Parliament, and not the 'Islamists,' who prevent women from participating in elections." There are apparently divergencies within the Islamist movement between those who hope that the electoral body will be expanded to include women "who will vote -- there can be no doubt about it -- for the conservatives and the religious" and those, more traditionalist, who believe, like Cheikha Latifa, that "Muslim women must devote themselves to the Koran, cooking and the children." Furthermore, the experience of the university, where women students participate in elections for the councils of the different schools, has proved that the female vote has always helped religious groupings. It is perhaps for this reason that the nationalist and leftist groups, which know that the majority of the women will vote for the clerics, only pay lip service to the feminist cause, preferring to demand that the right to vote be granted to so-called "second-class" Kuwaiti citizens.

Whatever the case, the Islamists, while perhaps divided on the problem of the entry of women into Parliament, are openly against mixing in the university. Because of the small premises, having been unable to obtain separate classrooms, they have stepped up their efforts to convince women to wear the *hedjab* (Islamic garment), with some success because half of the women do. Eight years ago, the number was far smaller.

"For Islamists, the matter of 'co-education' takes on great importance," says Ismail Chatti, who says that the presence at the head of the Ministry of Education of Dr Hassan Ibrahim, a "pragmatist" who has practically imposed mixed education, represents a grave threat to youth, "much more serious than the Santa Fe affair and Cheikh Ali Khalifa."

Eight months after the opening of the new Parliament, the unity achieved around a program based on the defense of social justice and political democracy and involving the nationalist left and Islamist forces risks falling apart in the face of disagreement over the status of women in Kuwait.

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KUWAIT

INFORMATION MINISTER GIVES ASSESSMENT OF FOREIGN, LOCAL PRESS

London AL-MAJALLAH in Arabic 27 Nov-3 Dec 85 p 11

[Interview with Nasir Muhammad Ahmad al-Jabir, minister of information, by 'Abdallah ibn Muhammad Al al-Shaykh: "Shaykh Nasir Muhammad Ahmad al-Jabir to AL-MAJALLAH: I Will Not Receive Any Journalist Who Intentionally Seeks To Offend Kuwait"]

[Text] AL-MAJALLAH presented to Shaykh Nasir Muhammad al-Ahmad al-Jabir all the pending questions concerning the Kuwaiti government's conception of and approach to the information issues inside and outside the country. The Kuwaiti minister answered with the same frankness in this interview with colleague 'Abdallah ibn Muhammad Al al-Shaykh:

[Question] What is Kuwait's problem in dealing with the media?

[Answer] We in the Gulf area are facing numerous external problems that are embodied in tendentious propaganda. You often find this propaganda in the foreign press.

[Question] How do you confront these problems?

[Answer] Through coordination and cooperation. When we find that any foreign paper or information establishment offends any Gulf state, we boycott it after notifying it of our resentment. I believe that we have succeeded in this regard as a result of fruitful cooperation with the other Gulf states.

[Question] It is noticed that meetings with Gulf ministers of information have become almost nonexistent whereas such meetings used to be held periodically. Is this the result of a disagreement between you?

[Answer] The answer is definitely not. Our relationship is good and our latest meeting was held last April. It is true that the periodic meeting has been postponed but our contacts continue and there will be a meeting of the ministers of information shortly. I wish to say this to the ministers of information: We must meet because there are numerous cases on which the undersecretaries of information cannot make a decision and

where the decision must come at the level of the ministers. However, I wish to stress that we are a single family and that we often settle affairs and exchange opinions by phone. I personally contact them more than once a month.

[Question] Are there fundamental causes that have led to postponing scheduled meetings several times?

[Answer] No. There is a periodic annual meeting that has been postponed, as you have pointed out. We hope that the next meeting will be held this coming February in fraternal Iraq. There is another meeting of the GCC countries which has been postponed. I asked for the postponement because of my work engagements. We hope that the meeting will be held in Riyadh shortly.

[Question] Frankly, there are those who say that these meetings end up with resolutions that are not implemented. What is your response?

[Answer] Insofar as the conference of the Arab Gulf ministers of information is concerned, we are made up of seven states and we meet every year. Numerous resolutions have been implemented. These issues really do need time and we prefer to climb the ladder step by step.

[Question] Can you give us proof of this?

[Answer] There have been numerous accomplishments, of which I can cite the Gulf University which is headquartered in Bahrain. Here in Kuwait, we have the Petroleum Information Organization. In Qatar, we have the International Relations Committee which may be merged with the Petroleum Information Organization. But we are waiting to evaluate the experiment before embarking on this merger. Through these meetings and as a result of their convocation, a heritage committee has been formed and is headed by the UAE undersecretary of information. There are other committees also. We are moving forward, not backward.

[Question] What is the BBC [British Broadcasting Corporation] problem?

[Answer] This in itself is another example of cooperation. Fraternal Iraq was dissatisfied with the BBC at one time. We in Kuwait conveyed our resentment to the BBC, as did the minister of information in fraternal Saudi Arabia. Now matters have improved. We do not like to publicize what we do because we do not wish to create unnecessary sensitivities.

[Question] You have pointed out the presence of ongoing campaigns against the Gulf states. What do you do to confront them?

[Answer] Brother, I would like to say that we are not concerned with what is published and broadcast in the West. Let them write whatever they wish and do whatever they wish. What we do is that when we receive Western information delegations in Kuwait, we let them visit whatever they wish to visit. When they ask to meet me, I stipulate the sole condition that they publish the truth, even if only once.

[Question] And if they fail to do so?

[Answer] I refuse to receive again whoever visits Kuwait and then writes to offend it by upending the facts. Believe me, I have no objection if such a person criticizes me and writes accordingly, basing his criticism on facts.

[Question] What are the issues with which the Western media deal and which annoy you most?

[Answer] There are numerous issues. For example, oil prices are an issue to which the West is sensitive and in whose muddled waters the Western media like to fish.

[Question] Are you perhaps too sensitive to what is written about you?

[Answer] God knows that I have no objection to criticism or to writings against us if such reports are founded on facts. Our policy in Kuwait is summed up in demanding that the facts be published or broadcast, not distorted. We, like anybody who is concerned with the truth, are sensitive to distortion.

[Question] It is repeatedly said that the Arab citizen has lost confidence in the reports published and broadcast and that he has come to rely on the Western press and radio. What is your opinion of this charge?

[Answer] I believe that the Gulf radio stations are listened to. Our citizen has, of course, the option of listening to whatever he wishes. I believe that you are asking about the responsibility of an information medium. A radio station like Monte Carlo Radio may offer its audience news reports of the type that a radio station like Kuwait Radio does not broadcast. This may be true. But the difference is that we are concerned with the responsible nature of the news report. I assess the news reports I receive and permit them to be broadcast if they do not offend the fraternal countries. As for the foreign radio stations, they may not have somebody to bring them to account.

[Question] Regarding the news reports, why aren't the Arab news agencies, rather than the foreign news agencies, made the source of the reports?

[Answer] I believe that KUNA [KUWAITI NEWS AGENCY] is a source of news reports. It transmits its reports to both the Arab and the outside worlds and they in turn quote it.

[Question] What is the government's relationship with the Kuwaiti press?

[Answer] Our press is free and writes whatever it wishes. The printed materials and publication law protects this press from the government's authority.

[Question] But there have been problems between the two sides.

[Answer] The Kuwaiti press has lived with the events since Kuwait's independence and it makes known its opinion, which may be opposed to state policy. In such a case, the brother chief editors are notified of what is against state policy. Rest assured that they have self-control, which they exercise through their convictions and their concern for the country's interest. Yes, mistakes do happen. But we settle pending issues through personal relations.

[Question] In the wake of the latest events in Kuwait, what is your evaluation of the media's dealing with these events?

[Answer] The foreign media have exaggerated in focusing on these events. Kuwait has been and continues to be a secure country. Despite this, they describe it as unstable. In the streets of the United States, the biggest country in the world, many people are murdered every day. When we, as a small country, compare ourselves with others, we find that we are more secure and stable than they are.

[Question] What is your view of the expatriate press?

[Answer] I do not wish to comment and I content myself with reading.

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SAUDI ARABIA

LABOR AGENCY ISSUES STATISTICS ON LOCAL, FOREIGN LABOR

Riyadh AL-RIYAD in Arabic 29 Sep 85 p 12

[Article by Sa'd al-Huwaymil: "Ministry of Labor Asserts: National Manpower Has Grown by 75.4 Percent; National Labor Turns to Work in Non-production Professions; Drop in Rate of Permits for Production Workers in Southern Province"]

[Text] The number of national workers employed or seeking employment registered in the Labor Affairs Agency of the Ministry of Labor in 1404 of the Hegira increased by 75.4 percent over 1400 of the Hegira.

A report prepared by the agency says that the Western Province holds the top position in the kingdom in the number of those seeking employment, with their percentage ranging from 37.5 percent at its lowest level in 1402 of the Hegira to 52.6 percent at its highest level in 1403 of the Hegira. The Eastern Province ranks second behind the Western Province in the number of employment seekers, with their percentage ranging from 34.1 percent in 1400 of the Hegira to 38.1 percent in 1404 of the Hegira. Even though the number of employment seekers in the Central Province doubled in 1404 of the Hegira over 1400 of the Hegira, their percentage throughout the kingdom did not exceed 10 percent in the past 5 years. The number of employment seekers in the Southern Province was lower than their number in the Central Province in 1401 and 1403 of the Hegira and higher in other years. We find that the current number of employment seekers in the Southern Province is double their number in 1402, or 1,992 citizens. Meanwhile, their number in the Central Province is 994 citizens.

Numerical Distribution According to Age Groups

The report says that more than 75 percent of the work seekers in the year 1400 of the Hegira to 1400 [presumably 1404] of the Hegira are within the 20-45 year age group and that work seekers among adolescents up to 15 years of age did not exceed 1 percent in 1400 of the Hegira. This percentage has settled at 0.2 percent in the past 3 years. Moreover, work seekers in the 60-year and above age group amounted to 2.6 percent in 1401 of the Hegira but did not exceed 1.8 percent in 1400 of the Hegira and 0.8 percent in 1403 of the Hegira. As for work seekers in the 15-20

year age group, they did not exceed 10.5 percent throughout the past 5 years. Moreover, work seekers in the 45-60 year age group were within the limit of 10 percent in the past 4 years, even though this percentage came to 14.7 percent in 1404 of the Hegira.

#### Work Seekers According to Educational Need

From 1401 to 1404, the percentage of illiterate work seekers has been declining, dropping from 45.8 percent in 1401 of the Hegira to 30.7 percent in 1404 of the Hegira. As for work seekers who can read and write, the percentage dropped in the first 3 years from 30.9 percent in 1401 of the Hegira to 26.6 percent in 1403 of the Hegira but rose to 32.1 percent in 1404 of the Hegira. As for work seekers with an elementary school certificate, their percentage has been rising steadily in the past 4 years, increasing from 13.7 percent in 1401 of the Hegira to 23.6 percent in 1404 of the Hegira.

Moreover, the percentage of work seekers with an intermediate school certificate rose in the years 1401-1403 of the Hegira from 7.2 percent to 12.2 percent whereas this percentage dropped in 1404 of the Hegira by 2.4-4.9 percent below the percentage in 1401 of the Hegira. In the past 2 years, this percentage dropped to 4.8 percent in 1403 of the Hegira and to 4.4 percent in 1404 of the Hegira [percentages and years as published] even though the number of work seekers who have been employed has risen by 46.3 percent in 1404 of the Hegira over the number of those employed in 1400 of the Hegira and by 38.5 percent over those employed in 1403 of the Hegira. But the employment rate generally dropped from 98 percent in 1400 of the Hegira to 95.5 percent in 1403 of the Hegira and to 81.7 percent in 1404 of the Hegira. The year 1401 of the Hegira was the year in which the best employment rate was achieved, considering that all work seekers, numbering 10,889 citizens, were employed.

#### Employment During Summer Holidays

The rate of student employment during summer holidays rose in 1401 of the Hegira by 117.4 percent over the corresponding rate in 1400 and then increased by 20.1 percent, 33.1 percent, and 7.8 percent in the years 1402, 1403, and 1404 of the Hegira. Students working in the Eastern Province represent more than 50 percent of the total number of students working throughout the kingdom. In the Western Province, they represent more than 25 percent whereas the number of students working in the Central and Southern Provinces together does not exceed 21 percent of the total number of students working throughout the kingdom in the past 5 years. The Central Province's student employment rate dropped in 1404 of the Hegira by 5.3 percent below the rate of 1400 of the Hegira and by 1.3 percent below the employment rate of 1403 of the Hegira.

In the Western Province, the [1404] rate rose by 5.8 percent over the rate in 1400 of the Hegira and dropped by 1.1 percent below the rate in 1403 of the Hegira. In the Eastern Province, the rate dropped by 3.8 percent below the rate of 1400 of the Hegira and rose by 1.6 percent over the rate of 1403 of the Hegira. In the Southern Province, the rate rose

by 3.3 over the rate in 1400 of the Hegira and by 0.8 percent over the rate in 1403 of the Hegira. As for the rate of students working in the provinces according to qualification in the years 1401-1404 of the Hegira, the rate of working students in their university study phase rose from 14.8 percent in 1400 of the Hegira to 24.9 percent in 1404 of the Hegira. This increase came at the expense of a drop in the number of working students in the pre-university phase [marhalat al-kafa'ah] whose employment rate decreased from 24.9 percent in 1400 of the Hegira to 18 percent in 1404 of the Hegira. The employment rate during the summer holidays among high school students in the various branches did not change, staying within the limits of 57 percent of the total number of these students in the kingdom.

#### Foreign Workers and Permits Issued Them

One of the stipulations of work is that the foreign worker acquire a work permit after meeting the conditions required for the purpose. The permit is renewed once every 2 years for an imported worker and once every 4 years for workers exempted from the importation procedures because the need for these workers continues to exist. The total number of permits issued to foreign workers rose by 23.1 percent in 1403 of the Hegira and by 38.6 percent in 1404 of the Hegira over the number issued in 1400 of the Hegira.

As for the number of permits issued, the Central Province ranked first in 1403 of the Hegira, second in 1404 of the Hegira, and third in 1400 of the Hegira. The Western Province ranked first in 1400 and 1404 of the Hegira and third in 1403 of the Hegira. The Central Province ranked second in 1400 and 1403 of the Hegira and third in 1404 of the Hegira whereas the Southern Province has always ranked fourth. But the number of permits issued by this province has been increasing steadily throughout the past 5 years, rising from 17,171 permits in 1400 of the Hegira to 40,790 permits in 1403 of the Hegira and to 41,882 permits in 1404 of the Hegira.

The rate of permits issued to foreign workers in the Central Province rose by 44.6 percent in 1403 of the Hegira and by 44.2 percent in 1404 of the Hegira over the number issued in 1400 of the Hegira. Consequently, this rate dropped in 1404 of the Hegira by 0.3 percent [as published] below 1403 of the Hegira. In the Western Province, the total number of permits issued in 1403 of the Hegira dropped by 9.5 percent but then rose by 38.5 percent in 1404 of the Hegira in comparison with the total number of permits issued in 1400 of the Hegira. Thus, there was an increase of 53.1 percent in 1404 of the Hegira over 1403 of the Hegira. In the Eastern Province, the total number of permits issued in 1403 of the Hegira rose by 27.5 percent and in 1404 by 23.2 percent over the number issued in 1400 of the Hegira. Thus, this percentage dropped in 1404 by 3.3 percent below 1403 of the Hegira. In the Southern Province, the rate of permits issued in 1403 of the Hegira rose by 138.6 percent and in 1404 by 143.9 percent over the number issued in 1400 of the Hegira. Thus, the total number of permits issued in 1404 of the Hegira was 2.7 percent higher than the total number issued in 1403 of the Hegira.

The number of permits issued to production workers dropped steadily from 81.4 percent in 1400 of the Hegira to 69.1 percent in 1403 of the Hegira. On the other hand, the rate of permits issued to workers in other sections has risen. In 1404 of the Hegira, this rate rose slightly by 0.5 percent in comparison with 1403 of the Hegira, thus reaching 69.6 percent. As for permits issued to agricultural workers, their rate has risen steadily from 1.4 percent in 1400 of the Hegira to 4 percent in 1404 of the Hegira. Even though the rate of permits issued to service workers dropped in 1403 of the Hegira below the rate of 1402 of the Hegira, it generally rose from 3.9 percent in 1400 of the Hegira to 7.4 percent in 1404 of the Hegira. Permits issued to workers engaged in sale activities rose from 0.2 percent in 1400 to 4.7 percent in 1404 of the Hegira. Permits issued to office workers also rose slightly, from 5 percent in 1400 of the Hegira to 6.3 percent in 1403 of the Hegira. But in 1404 of the Hegira, the rate dropped to 5.2 percent. Permits issued to managing directors increased from 1.1 percent in 1400 of the Hegira to 2.3 percent in 1404 of the Hegira. Work permits issued to people with scientific and technical jobs rose from 7 percent in 1400 of the Hegira to 13.8 percent in 1403 of the Hegira but then dropped to 6.8 percent in 1404 of the Hegira.

#### Work Permits for Foreigners

The rate of permits issued to foreign workers according to their main professions rose in 1403-1404 of the Hegira in comparison with the rate in 1400 of the Hegira. But there are professions in which the rate of permits issued rose in 1404 in comparison with 1403 of the Hegira and other professions where this rate dropped. In 1404 of the Hegira, the rate of permits issued to managing directors rose by 24.1 percent, to sales personnel by 448.4 percent, to service workers by 73.6 percent, to agricultural workers by 55.5 percent, and to production workers by 13.5 percent in comparison with 1403 of the Hegira. Meanwhile, the rate of permits issued to scientific and technical professionals dropped by 44.7 percent and to office workers by 8.3 percent below the level of 1403 of the Hegira. As for the permits issued to foreign workers in the provinces according to the various sections of the main professions, the rate of permits issued by the Central Province to production workers dropped from 78.8 percent in 1400 of the Hegira to 51 percent in 1403 of the Hegira. Meanwhile, the percentage of permits issued to workers in other professional sectors increased. But we find that in 1404 of the Hegira, the rate of permits issued to production workers rose to 70.1 percent. Consequently, the rate of permits issued scientific and technical professionals decreased sharply, dropping from 25.9 percent in 1403 of the Hegira to 4.5 percent in 1404 of the Hegira. The rates of permits issued to managing directors dropped from 2.4 percent in 1403 of the Hegira to 0.9 percent in 1404 of the Hegira and permits issued to office workers from 9.4 percent to 3.7 percent. Meanwhile, there was an increase in the rate of permits issued to workers in other professional sectors, especially permits issued to sales workers which rose from 1.2 percent in 1403 of the Hegira to 8.1 percent in 1404 of the Hegira. In the Western Province, the rate of permits issued to production workers dropped and the rate of permits to workers in other sectors rose. In the Eastern Province, we find that the

rate of permits issued to production workers rose from 70.1 percent in 1400 of the Hegira to 73.8 percent in 1404 of the Hegira, with a subsequent drop in the rates of permits issued to workers in most of the other sectors. We find that the rate of permits issued to scientific and technical professionals dropped from 11.3 percent to 10.5 percent. In 1404 of the Hegira, the rate of permits issued to production workers decreased and, subsequently, the rate of permits issued to all workers in the other sectors increased, with the exception of permits issued to scientific and technical professionals, which dropped from 10.5 percent in 1403 of the Hegira to 9.2 percent in 1404 of the Hegira. In the Southern Province, the permits issued to production workers decreased considerably, dropping from 95.9 percent in 1400 of the Hegira to 87.5 percent in 1403 of the Hegira and to 55.7 percent in 1404 of the Hegira. Consequently, the rate of permits issued to workers in all other sectors rose considerably.

The rate of permits issued to illiterate workers is low, dropping from 43.2 percent in 1401 of the Hegira to 32.1 percent in 1404 of the Hegira. The same applies to permits issued to workers who can read and write, with the rate of permits issued to such workers dropping from 24.2 percent to 19.3 percent. On the other hand, permits issued to university graduates rose from 5.8 percent in 1401 of the Hegira to 12.1 percent in 1403 of the Hegira. But in 1404 of the Hegira, the rate of permits issued to illiterate workers and workers who can read and write rose to 37.6 percent and 26.9 percent, successively, while the rate of permits issued to university graduates dropped to 4.8 percent. Moreover, the rate of permits issued to workers with an intermediate junior high school certificate dropped from 11.4 percent in 1403 of the Hegira to 7.4 percent in 1404 of the Hegira and permits issued to workers with an elementary school certificate dropped from 14.3 percent to 11.2 percent, whereas permits issued to workers with a high school certificate rose from 7.6 percent in 1401 of the Hegira to 12.1 percent in 1404 of the Hegira.

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6 February 1986

## SAUDI ARABIA

## DROP IN IMPORT LEVELS REPORTED

Riyadh AL-RIYAD in Arabic 29 Sep 85 p 12

[Article by Riham al-Harbi]

[Text] The General Statistics Department of the Ministry of Finance and National Economy recently issued a report containing statistics of the kingdom's imports in the second half of 1984.

The report points out that the value of the kingdom's commodity imports in the second half of 1984 dropped to 55,459,000 riyals [as published], registering a drop of 8,733,000,000 riyals or of 13.6 percent in comparison with the corresponding period of 1983. Compared to the corresponding period of 1983, the value of each of the following commodity imports dropped in the manner demonstrated below:

The value of the transport machinery and equipment imports dropped in this period by 5,646,000,000 riyals or by 21.3 percent. The value of the imports of other goods classified according to material, such as iron and manufactured iron products, other manufactured metal products, and wood and paper products dropped by 2,785,000,000 riyals or 17.2 percent.

As for miscellaneous goods, including gold, the value of the imports dropped in the second half by 292 million riyals or by 38.6 percent. The value of drinks and tobacco imports dropped during the period by 60 million riyals or by 7.9 percent. Imports of mineral fuels and lubricants dropped by 67 million riyals or 4.7 percent.

The report notes that whereas a drop was recorded in the value of some imports during this period, an increase was recorded in the volume of other imports, such as foodstuffs and livestock, which registered an increase of 129 million riyals or 4.7 percent. As for oils and animal fats, they registered an increase of 14 million riyals or of 7.6 percent.

The report issued by the General Statistics Department also noted that the volume of imports from Japan alone amounted to 11,275,000,000 riyals, constituting 20.3 percent of the kingdom's total import volume. The most important imports from Japan were trucks, small cars, and textiles. The

United States took second place behind Japan with the value of imports from the United States amounting to 10,049,000,000 riyals, representing 18.1 percent of the kingdom's total imports. Foremost among the imports from the United States were spraying machines used in agriculture and spare parts.

France took third place, with the value of imports from this country amounting to 4,247,000,000 riyals, representing 7.7 percent of the total imports. Foremost among the imports from France were civilian aircraft, barley, and electrical equipment.

The volume of imports from West Germany in this period amounted to 4,247,000,000 riyals, representing 7.7 percent of the total value of imports. Foremost among the imports from West Germany were trucks, small cars, and spare parts.

Italy took fifth place, with the value of imports from this country amounting to 3,829,000,000 riyals, representing 6.9 percent of the total value of imports. The goods imported from Italy were led by jewelry, furniture, and tiles.

England took sixth place in volume of imports, with the value of these imports amounting to 3,284,000,000 riyals, representing 5.9 percent of the total imports for the period. Tobacco, cigarettes, and electrical equipment led the imports from England.

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SAUDI ARABIA

#### WATER PROJECTS IN EASTERN PROVINCE OUTLINED

Riyadh AL-RIYAD in Arabic 1 Oct 85 p 2

[Article: "General Director of Water and Sewerage Authority: Phased Plans to Complete Water and Sewerage Projects in Eastern Province; Water Tower and Complete Network To Meet al-Jubayl City's Needs With Desalinated Water"]

[Text] Al-Dammam--'Abdallah ibn Muhammad al-Babutayn, general director of the Water and Sewerage Agency in the Eastern Province, told AL-RIYAD that in implementing the instructions of his royal highness the amir [governor] of the Eastern Province to prepare phased plans with specific timetables for the construction and completion of the water and sewerage projects in the various parts of the Eastern Province, a contract was concluded on Saturday, 7 Muharram 1406 of the Hegira, at the Eastern Province's amir's office in al-Dammam to implement the project for al-Jubayl high-water tower at a cost of 22,356,107 riyals as a first phase of the plan to implement the agency's projects in al-Jubayl City. One of the phases of this plan is being implemented this month to build the city's water distribution network.

Al-Babutayn added that throughout the successive development plans, al-Jubayl City has witnessed great developments in its construction, economic, and industrial activities connected with development programs at the kingdom and city levels because of the important strategic position the city enjoys on the Arab Gulf.

As a result of the above, the agency began in previous years preparing complete initial and final studies aimed at completing al-Jubayl City's long-range future requirements because the studies have demonstrated that the city, which is now in the phase of growth, will reach the saturation phase in 1435 of the Hegira, with its population then numbering more than 600,000 people. The water projects have been designed in such a manner as to be able to keep up pace with these requirements.

The concluded contract provides for building a high-water tower with a capacity of 6,000 cubic meters and a height of nearly 50 meters. The tower body will be coated with prefabricated concrete and its base will

consist of pre-cast (contact columns). The contract also covers all the excavation and filling work, insulation materials, site beautification work, repair and maintenance workshops, electrical and mechanical works to pump water to the high tower, chambers with shutting devices and controls to regulate water levels and pressure and to measure water height, and ground-level tanks to receive water overflow and the periodic maintenance water.

Al-Babutayn pointed out that this tower will meet the city's requirements for a long time to come and that it will be supplied with water by the water desalination plant in al-Jubayl.

The coming part of this month will witness a subsequent phase of the construction of a highly efficient water distribution network that will cover all parts of the existing city and that will be developed in the future to meet all the needs for supplying the city with desalinated water, taking into consideration the expected expansions and population growth.

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SYRIA

SURVEY CONDUCTED TO ENHANCE EXPLOITATION OF STATE-OWNED LANDS

Damascus TISHRIN in Arabic 24 Oct 85 p 4

/Interview with Dirgham Falluh, director of state-owned lands and agrarian reform at the Ministry of Agriculture, by 'Ali Ma'ruf: "Concerted Efforts To Complete Survey of Agricultural Reform and State-owned Lands"

/Text The Ministry of Agriculture started nearly 5 months ago surveying all state-owned lands in various parts of the country. This process has been coupled with measures putting a freeze on new transactions and contracts pertaining to these lands. Where has the ministry reached in its new task concerning state-owned lands, what are the difficulties it is encountering in this regard, and what are the objectives behind the survey process and how will they be achieved?

It is an essential question raised not only by the citizens concerned but also by all those who agree with the ministry which has decided to re-examine the existing formulas for dealing with state-owned land users, considering that these lands are a part of the state's public property. These formulas involve a large amount of squandering and laxness and often turn a completely blind eye to encroachments upon these lands. Dirgham Falluh, the director of state-owned lands and of agrarian reform at the Ministry of Agriculture, provides the answer in the following interview:

/Question The steps for surveying the state-owned lands began in the 6th month of this year. Where have these steps reached, when will they end, and are there obstacles impeding their implementation?

/Answer The areas covered by the survey are vast and are spread over various parts of the country. Some of these lands, nearly half of them, are delineated and recorded. The rest have not been delineated and recorded yet. We have completed surveying these lands in registration terms by examining and checking the real estate records. Since the beginning of the 7th month of this year, the field committees have launched their activities to identify these lands, to redelineate them, and to find out their actual status, i.e., to find out who has seized them and what legal documents they have to justify seizing them. This process is intended to identify all persons who are on state-owned lands illegally and to issue expropriation decisions in such cases of ongoing illegal encroachment. The outcome of these committees' activities and their proposals

have been reaching the ministry in succession and the ministry has been issuing the necessary decrees in this regard in light of the actual situation. Numerous decrees have been, of course, issued in this connection providing for expropriation. It is expected that the said committees will complete their work by the end of this year, i.e., nearly 3 months after the start of the field identification process on the spot. The necessary measures are taken in accordance with the circumstances of the various cases. The tasks entrusted to the committees, which represent the legal, technical, and administrative authorities, require that they find out the detailed facts concerning each piece of land on the spot and observe the land exploitation activities. Such tasks cannot be free of difficulties. To surmount these difficulties, it is necessary to secure numerous things, the most important being:

--Allocating the appropriations necessary for hazardous work allowances, overtime work, and the additional transportation allowance needed for this kind of field work.

--Bolstering the directorates with permanent legal elements and with clerks from the first and second grade levels.

--Supplying the means of transportation.

These are the things capable of insuring continuation of the work at a good pace.

/Question/ What are the planned future steps for the exploitation of these lands?

/Answer/ The ministry plans to exploit them in accordance with its plan, which puts state farms as the number-one user. It will then form technical committees in each governorate to study the situation of each piece of property and to propose the ideal way to exploit it, such as direct exploitation by the ministry's agencies, including the guidance units, cattle or fish farms, or, perhaps, other state agencies or outside circles.

/Question/ What are the most significant problems encountered previously in the process of dealing in or selling state-owned lands or lands owned by the agrarian reform, "meaning the sale of labor"? How will these problems be solved in light of the new measures?

/Answer/ The main objective of the process of distributing the agrarian reform lands is focused on achieving the slogan of "the land belongs to whoever tills it." The absence of this condition makes it necessary to take away such land. Consequently, the sale, lease, abandonment, or even negligence of land in a manner that unreasonably reduces its yield means axiomatically the abandonment of work on the land, regardless of how varied the reasons or pretexts are. This legally and logically necessitates giving the land to an owner who meets the condition of "tilling the land" and who is compatible with the fundamental objective of land exploitation. It so happened in the past that some beneficiaries violated the conditions set by the agrarian reform law. The agrarian reform agency is empowered to conduct this survey on the distributed lands and the lands excluded from distribution so as to identify the violators and deny them use of the land. To implement the laws, the ministry has instructed the

agencies concerned in the governorates to check on the violations in preparation for taking the legal measures for the denial of use in accordance with the rules and for recovering the land and including it within the ministry's programs for exploitation of the state-owned lands. As for individuals who have colluded with the beneficiaries through the purchase or lease of these lands, they will have no right whatsoever to the land by virtue of the fact that the buyer or tenant is considered a collaborator with the original beneficiary and an encroacher upon state-owned lands and is treated accordingly. This is also coupled with the demand that the buyer pay twice the rent for the land as of the date of purchase or lease, that the buyer's control over the land be eliminated, and that whatever installations he has built on the land be considered the result of voluntary action subject to the laws concerning encroachment upon state-owned lands.

/Question/ Isn't the state's silence in the face of these violations for a long period of time one of the reasons for the recurrence of the violations and for considering them some sort of a tradition?

/Answer/ These issues have not been neglected. They were dealt with in the past, but on a limited scale and in a manner dominated by red tape and a lack of seriousness, thus causing these violations to intensify and turn into a phenomenon. The ministry has now found it necessary to tackle this phenomenon fundamentally and according to a comprehensive plan implemented accurately and firmly.

/Question/ What is the area of state-owned lands and how are these lands exploited currently?

/Answer/ The area of state-owned land is very large. But we have not yet reached a final figure. There is no doubt that a large part of this land is exploited in a disorganized and unsound manner and, at times, without the state's knowledge. The current survey work is being carried out for this purpose so that the exploitation may be organized and purposeful and within the framework of the state plan. Moreover, the survey facilitates the process of securing the lands needed by the state--lands for which the state would otherwise need and additional budget. Moreover, the survey will make it possible to set up model farms and state farms in the various parts of the country and to use modern agricultural methods in these farms, thus enhancing agricultural competition to achieve the highest yield levels.

/Question/ Isn't the semidesert included in the committees' work?

/Answer/ Yes, it is. The committees' tasks include dealing with encroachments upon semidesert lands, forest lands, or other lands owned by the state.

I must note here that the general director of state-owned lands pointed out that the executive bylaws of the agrarian reform law clearly define the beneficiary's relationship with the land and that these bylaws stress the following:

--Whoever obtains control of land shall cultivate it and give it the necessary care, shall implement the agricultural production plans set for it, shall observe

the basic principles of the peasant cooperative to which he belongs, and shall abide by the laws and decrees issued in connection with the agrarian reform law and the land ownership law. If the beneficiary violates any fundamental obligation demanded by the law or by the distribution decree, if he fails to cultivate his land personally or if he leases, relinquishes, or sells the land secretly, if he fails to give the land the care required in accordance with the production plan, or if he commits any legal violation, the question of depriving him of the land shall be considered by the committee formed for the purpose.

--Neither the beneficiary nor his heirs after him may dispose of the agricultural land given to him or may incur any inkind claim to the land, excluding a mortgage with the Agricultural Cooperative Bank, before the passage of 20 years on registration of the land in his name in the real estate records and provided that he obtain an advance approval from the ministry after the lapse of this period. The ownership of such land may not be taken away in repayment of any debt, unless the debt is owed to the state or to a peasant organization.

In light of these rules, the legislator's objective is obvious, namely the preservation and exploitation of the land by the beneficiaries themselves, without any trading, so as to achieve the goals of the agrarian reform law and to serve the interests of the farmers and their stability on their land under the penalty of taking away the land and restoring it to state control, regardless of whether it is under the control of the seller or the buyer. Dispossession is the inevitable legal means. The issue is not one of intimidation or punishment because it is prohibited to sell, lease, or dispose of distributed land. The purpose of the distribution is exploitation of the land by the beneficiary himself in a manner that insures an acceptable level of production in light of the circumstances governing this production and of the various crops and agricultural conditions.

8494/12228

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SYRIA

#### FORGERY RING UNCOVERED IN HAMAH

Damascus TISHRIN in Arabic 22 Oct 85 p 3

/Article by Mahmud al-Humud: "Supply Control Uncovers Forgery of Iron Sale Bills in Building Centers"

/Text/ Hamah--The chaos and indifference prevailing in the Building Establishment branch in Hamah have turned the citizen into a toy in the hands of the personnel of the sale centers. The citizen, with a right, with a livelihood to attend to, and with an official permit, encounters the greatest difficulty in getting his allotment.

After eliminating the exceptions in construction materials, the sale centers' workers resorted to a different method in dealing with the citizen, putting pressure on him to abandon his allotment and to purchase from the black market which has become a flourishing market where the citizen finds everything he needs, but at three times the official price. Despite this, we find many citizens who prefer to buy from the black market because it is easy to make purchases in this market and difficult to buy from the Construction Establishment's branch in Hamah.

#### Tampering with Weights

A few months ago, some craftsmen who get their allotments of industrial iron complained of a shortfall in the weight of the allotments delivered to them by the Industrial Iron Center of the Hamah branch of the Construction Establishment. The Supply Control Agency took up the issue, observed the processes of weighing and delivery on the spot, and was able to identify several violations in weights. As a result of the investigations, it became evident that the center's workers in charge of deliveries were tampering with the weights to make illicit profits for their own benefit. The Supply Control identified at the time four violations in a single day. After making the legal reports against the violators, they were dismissed from their positions and sentenced to jail. The Central Control and Inspection Agency followed up on the issue and examined the bills of sale to find the citizens harmed by this practice.



## Forging Iron Sale Bills

As a result of numerous complaints by citizens and craftsmen on the iron sale activities in the iron sale centers at the Construction Establishment's branch in Hamah, the Supply Control Agency set up several patrols to observe the center's sale operations. On 14 September 1985, the Supply Control seized a bill pertaining to the sale of 4 tons of iron cables with a (diameter) of 12-14 mm that showed that the delivery was made twice to the same craftsman and at the same weight. Upon asking the craftsman concerned, he reported that he submitted a request to the Construction Establishment on 5 September 1985 to purchase his allocations, which amounted to 4 tons for the months of August and September.

The request disappeared mysteriously after he had handed it to the center chairman. The craftsman returned to the center on 8 May /presumably September/ to look for his lost request but could not find it. Consequently, the center chairman wrote a new request for the same quantity and the same craftsman and the craftsman's full allotments were actually delivered on 9 September 1985.

On 14 September 1985, it became evident to the supply patrol watching the sale activities that there was another bill in the name of the same craftsman who had received his allotment and that the quantity spelled out in the bill had been delivered twice. Upon being questioned, the craftsman said that he had received his allotment only once and that he had no knowledge of the bill written in his name on 14 September 1985.

As a result of the interrogation of the center chairman, the warehouse manager and his assistant, the bill writer, the treasurer, and the driver transporting the iron, it became evident that they all collaborated in forging the bill, performing the following roles:

The center chairman knew that the bill had been delivered to the craftsman on 9 September 1985. He should not have signed the second bill, keeping in mind that he had given the first bill, but not the second one, a serial number. This is evidence of tampering.

The warehouse manager delivered 2 tons of iron to a craftsman other than the one named in the bill, knowing that the craftsman named in the bill had received his allotment.

The assistant warehouse manager delivered to the craftsman not named in the bill the rest of the iron cables, namely 2 tons, because the warehouse manager was busy.

The treasurer collected the price of the iron from the craftsman not named in the bill, which is a violation of the regulations. Moreover, he took the bill personally and had it signed by the center chairman. This is proof of collusion with his colleagues.

The bill writer wrote the bill in the name of the craftsman concerned, knowing that it was being written for the second time and was going to another craftsman. He also gave it the same serial number as the first bill.

The driver of the truck carrying plate No 3083-53 is well known for dealing in iron in the black market. He loaded the 4 tons and delivered them to a craftsman other than the one named in the bill so that they might later be sold on the black market. He thus collaborated with the center's workers. When the forgery was uncovered, the driver tried to deliver the iron to the craftsman named in the bill free of charge, provided that the craftsman signed a receipt to the effect. But the craftsman refused because he had already received his allotment 5 days earlier. The driver was compelled to dump the iron in front of a closed shop in the industrial zone.

Thus, all collaborated in the forgery and in the attempt to sell on the black market and all went to jail.

#### Other Crooked Methods

The same official iron center resorted to other crooked means, in addition to forging bills. The center chairman locked the craftsmen's books and the citizens' permits in his office under the pretext that they had to wait their turn for delivery. Meanwhile, he tampered with these books and permits.

Citizen 'Abd-al-Razzaq Barudi holds construction permit No 165, dated 27 December 1984, and is entitled in accordance with this permit to 15.8 tons of iron. After waiting for 8 months for his turn to come, he was able to get 3,022 kg of iron on 31 August 1985. When he collected this quantity, he noticed that his permit showed that he had already received 1,007 kg of iron. It became evident later that the forgery and tampering had reached his permit and that the center's workers had disposed of this quantity without the owner's knowledge. The quantity was delivered on 11 August 1985 in accordance with bill No 5966 to a center worker who collected it without any authorization and without the owner's knowledge. Naturally, it ended up on the black market.

#### Do You Know?

In addition to the information we have cited, do you know, dear reader, that most of the workers of the Construction Establishment's sale centers in Hamah own private cars and commercial apartments which they have acquired through tampering and forgery? Do you know that when a thief, a forger, or a tamperer is uncovered among the establishment's workers he is, upon his release from jail, appointed to a position with a greater potential for tampering and theft? Do you know that those involved in this case have been released and are now free, except the center chairman who was rearrested by other authorities?

Do you know that the situation has become so complex and that it needs committees from the Control and Inspection Agency and other internal committees from the establishment?

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SYRIA

HIMS REFINERY EXPANDS TO MEET INCREASED DEMAND FOR GASOLINE

Damascus TISHRIN in Arabic 23 Oct 85 p 4

/Interview with Eng Khalil Ibrahim, technical director of the Hims refinery, by 'Ali Ma'ruf: "Hims Refinery's Sixth Expansion Project Supplies Country's Need of Supergasoline and Secures Line for Transporting Exported Naphtha"/

/Text/ The bombing catastrophe to which the Hims oil refinery was subjected during the October 1973 war has not obstructed the progress of this important economic establishment with its manysided significance. The fact that it was made a target in the war is an indication of this significance. The catastrophic bombing did not hamper this progress but rather has pushed the establishment toward greater production and expansion and toward making a greater economic contribution. Two years after the said war, i.e., in 1975, a distillation unit with a capacity to distill 1 million tons of imported crude oil was built. A year later, two other units followed: one to produce asphalt at a capacity of 200,000 tons a year and the second to treat polluted water at a capacity of 250,000 cubic meters an hour. Then came the sixth project to which the final touches are being applied.

Before talking of this latest expansion, we would like to note that the refinery has become a major complex for processing oil derivatives. (The refinery processes, moreover, 2.7 million tons of Syrian crude as a result of the introduction of the new unit built in 1969-70.) In addition to various oil derivatives, the production of butane gas began at the start of last year, 1984. Then followed the latest, sixth, expansion to add new qualitative and quantitative given facts that are reflected in both production and marketing. These facts were detailed to us by Eng Khalil Ibrahim in the following interview:

A total of 13,000 cylinders daily /as published/. But some of the modifications introduced by the technicians to the units have raised the production of this substance to 16,000 cylinders. This has been coupled with an increase in the filling capacity which has exceeded the theoretical targets by 150 percent. Then came the aforementioned sixth expansion project which increases the quantity of production and improves their quality. This project can be considered almost a new refinery, considering that it incorporates:

--A unit to improve gasoline quality.

- The naphtha hydrogenation unit.
- The (azmarah) unit.
- The diesel and sulfur hydrogenation unit.
- The steam-generating boilers.
- The steam-generating turbines.

/Question/ What are the qualitative and quantitative aspects of production development in light of the new expansion?

/Answer/ The expansion has introduced no increase in the refinery's designed capacity, which is capable of refining 5.2 million tons of crude oil--half local and the other half imported. From this crude oil, we produce various types of fuel. But what this expansion deals with is the production of an additional quantity of premium gasoline estimated at 500,000 tons a year. This quantity will come at the expense of surplus naphtha exceeding the country's need. We have been having difficulty marketing this surplus naphtha even though it constitutes a main ingredient in gasoline.

/Question/ Isn't this in conflict with the needs of the Public Fertilizer Co., which needs naphtha as a raw material for the production of fertilizer?

/Answer/ No, the quantities used for the production of gasoline in the new expansion are available along with the quantities used by the Public Fertilizer Co. This company will completely dispense with the use of naphtha when it completes the natural gas line and shifts to the use of natural gas in about 18 months. This natural gas is available locally and is more economical than naphtha. We should keep in mind that we will meet the country's need for gasoline and that the gasoline produced by the Baniyas refinery, estimated at 640,000 tons a year, will be consigned for exportation. Moreover, this expansion provides another capability, namely the premium gasoline pipeline. This pipeline has been used to bring in gasoline from Baniyas but it can now be used to transport naphtha from Hims to the port from where it can be exported. Transporting the naphtha to Baniyas was the most difficult problem we encountered in exporting naphtha, which is a derivative in demand internationally at commercially acceptable prices, considering that the price of a ton of naphtha amounts to \$320.

/Question/ Does the expansion have other objectives?

/Answer/ Yes, there are several objectives achieved by the expansion:

- Producing better-quality gasoline.
- Achieving a higher financial yield from naphtha.
- Securing the electric energy for operating the refinery and eliminating the problems of power outages which used to occur every month, if not every week.

Such outages reduce the lifespan of machinery and equipment. Each outage is estimated technically to cause the loss of a year in the life of a piece of equipment or machinery because it causes a sudden drop in temperature. Moreover, the outages have caused frequent fires. The energy generated by the expansion will be produced by two steam units with a total capacity of 64 megawatts, i.e., 32 megawatts each. One unit is enough to keep the refinery in operation, with the second unit remaining as a standby reserve.

--Preventing pollution as much as possible by establishing very harsh antipollution rules. In accordance with these rules, we have raised the smokestacks to an elevation of 180 meters and this will cause the exhaust fumes to disperse beyond the city's atmosphere and drop at such a distance that the sulfur oxide concentration will amount to 15 particles per million, which is a concentration rate that leaves no trace of pollution.

--Securing a hydrogen reserve to refine the Syrian heavy crude, considering that the Syrian crude derivatives contain sulfur compounds which must be eliminated through the use of hydrogen. Because there is a single source of hydrogen and because any interruption in the flow from this source causes an interruption in the heavy crude refining processes, the presence of a second source of hydrogen allows the uninterrupted refining of this heavy crude.

In light of the given facts of the expansion which supplies an additional quantity of hydrogen that meets the needs, we have studied, in the context of our future projects that have been generated by this expansion, the question of producing (basic oil derivatives).

#### Manpower

/Question/ What is the need for additional workers required by the new project?

/Answer/ Nearly 400 new workers have been appointed because the project's advanced automation reduces the need for labor. Most of these workers are skilled workers who will be trained in Czechoslovakia for 2 months preparing to operate the project immediately without the need to keep the foreign experts. Most of these workers are currently being given initial training within the various sections of the refinery, each according to his specialization.

/Question/ When will operation start?

/Answer/ All the work is generally complete. But the delay in the delivery of some electrical equipment and machinery because of importation procedures has delayed the date of operation. Generally, this equipment will be delivered shortly and 100 Czechoslovak technicians will arrive to install it. The project will be ready by the start of 1986, i.e., within 3 months when the experimental operation will begin.

/Question/ The large size of this installation, which now includes nearly 4,000 technicians and managers, requires the development of the industrial safety aspect. What are the safety measures you have taken to protect these workers, most of whom now enjoy a high technical capability?

/Answer/ It is true that with the expansion, the exact number amounted by the end of last month to 3,650 workers, most of them skilled workers. The management is aware of this and has spared no effort to provide all the requirements of industrial safety, especially since the oil industry and the high technical capability of the refinery and its successive developments require raising the industrial safety capability to enable it to keep up pace with this technology. Industrial safety in the refinery is of a good quality compatible with international industrial safety standards. Our safety systems are derived from the advanced international systems in similar industries, whether in terms of maintenance, of firing, or of all the precise activities in the units starting and stopping the operations. In addition to a meal, including milk and eggs, we have provided a large variety of equipment, such as:

--Gas masks.

--Noise mufflers.

--Protective goggles in welding and acetyline torch work.

--Safety boots.

--Work uniforms for the workers.

--Nonflammable (amionite) uniforms.

--Breathing equipment that supplies air at likely pollution sites.

--Small rapid-intervention vehicles fitted with the latest equipment and fire-fighting equipment of all kinds.

--Gas-measuring equipment.

--Photography equipment.

--Vehicles equipped with ladders to climb into towers and with other devices that facilitate work and achieve safety at the work site.

/Question/ There are reports that little use is made of this equipment. What are the steps taken to increase, rather generalize, the use of this equipment?

/Answer/ Courses are currently held--courses conducted since the early beginning of the refinery--with the aim of training and preparing all the workers to act as reserves for firemen. We enlighten the workers with special international films to persuade them that it is necessary to use this equipment. Moreover, the signs posted along the roads and paths urge such use. The situation is improving steadily in this regard, especially since practical experience has proven the importance of such use and has encouraged it.

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PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

MINISTER DISCUSSES MARITIME TRANSPORT DEVELOPMENT

Aden 14 UKTUBAR in Arabic 2 Oct 85 p 5

[Interview with Salih Abu Bakr ibn Husaynun, member of the Yemeni Socialist Party Central Committee and minister of communications, by Kawthar Shadhili: "Maritime Transport Began From Scratch in Wake of Independence and Developed After 22 June Corrective Step"]

[Text] The transport and communications sector is one of the most important economic service sectors because it is a mainstay of the economic development process and a main artery of all aspects of life.

To find out what has been accomplished in maritime transport, we interviewed Comrade Salih Abu Bakr ibn Husaynun, member of the Yemeni Socialist Party Central Committee and minister of communications, who spoke on one of the most important types of transport and communication, namely the maritime transport sector. The party and state leadership has been devoting evermore attention to this important sector, particularly since the 22 June corrective step and the nationalization of economic facilities.

So that the reader may learn more about this important sector, we interviewed the comrade minister of communications who, thankfully, answered all the questions raised in the interview, explaining numerous points directly connected with maritime transport, its projects, and its development phases. Below is the outcome of the interview:

[Question] What about maritime transport before the dawn of our country's national independence?

[Answer] If we want to find out the developments undergone by our country's maritime transport in the post-independence period and in the past few years, then it is natural that we discuss the maritime transport situation before our country gained its independence from the hateful British colonialist. It can be said that maritime transport prior to independence focused on shipping the transit goods unloaded in Aden by small wooden boats and by other small vessels. British colonialism turned Aden into a center for marketing its goods in the Red Sea and Arabian Sea area. The economy of colonized Aden was tied to and dependent upon this activity, which peaked in 1965 and was nurtured by the traffic of ships frequenting



Aden Port--ships coming from and heading for the Suez Canal. When the Suez Canal was closed just prior to independence and when it was expected that the National Front would triumph and that independence would be achieved, this traffic diminished and the imperialist firms controlling it began to withdraw their ships and direct them to other areas. When the foreign interests were nationalized on 30 November 1969, there remained only two small vessels, each with a load capacity of no more than 500 tons. The two vessels were old and unfit. One of them sank in 1970 and the other was withdrawn from service in 1975 because it was no longer fit.

The minister went on to stress that upon departing, British colonialism did not leave behind any maritime transport in any sense of the word, that such transport was foreign-made and controlled by foreigners, and that British colonialism had put an end to this activity before departing. Thus, we have had to reestablish maritime transport in the wake of the 22 June corrective step and of the nationalization of foreign interests, beginning from near scratch and utilizing Yemeni cadres who had gained some experience through contact with foreign firms. These cadres were gathered in the National Maritime Company which was established as a result of the nationalization of the foreign firms operating in the sphere of maritime transport. These cadres exerted great efforts to insure the continuation of maritime services, such as the maritime transport agencies and the activity of loading and unloading foreign vessels. They managed whatever remained of the maritime transport means and helped to bolster the services technically and commercially by adding vessels to the service. They did not succumb to the inducements of foreign interests and they continued to serve their homeland and their revolution until this very day. To these cadres I express the revolution's and party's appreciation. I also take this opportunity to express to them my personal appreciation.

#### Development of Maritime Transport

[Question] So how did the maritime transport sector develop in the wake of the 22 June corrective step and the nationalization of the foreign interests?

[Answer] It was impossible to control the national economy, to plan for it, and to guide it toward development and growth without controlling foreign trade. It was impossible to control foreign trade without controlling the shipment of goods into and out of the republic. Therefore, it was logical to think, in the wake of the nationalization in November 1969 and of the corrective movement, of forming the nucleus of the National Maritime Transport Company. It was understood and realized at the time that entering the sphere of commodity shipping is a complex process requiring broad experience and knowledge, especially since this sphere is controlled and ruled by the international maritime monopolies that are tied to the capitalist camp's imperialist interests, with sea adventurers and pirates supported by foreign interests playing a marginal role in this sector's activity. It was logical to begin with a small step in forming the nucleus in this sphere in order to gain expertise and

train cadres. The beginning was in 1973 when two used vessels, one with a load capacity of 1,500 tons and the other with a load capacity of 500 tons, were purchased and managed by the National Maritime Company. A third vessel with a load capacity of 1,500 tons, purchased from the friendly Soviet Union, was added to these two vessels, thus raising the total load capacity to 3,500 tons.

The comrade minister added that at the same time, the state turned its attention to training more advanced technical maritime cadres, such as naval officers and engineers. The state also sent graduates of the Naval Institute and high school graduates on scholarships to the Arab Maritime Transport Academy and to the friendly socialist countries to acquire higher degrees in ship management and maintenance. These cadres were trained on the vessels of fraternal and friendly countries and, as a result of the training plan drawn up in the wake of the correction movement and of the nationalization of economic interests, we now have naval officers and engineers who manage our vessels, who fully and satisfactorily pilot ships to and from the republic's ports, and who carry out maintenance work for our naval units. We are still awaiting the graduation of more such officers. The increase in their numbers will be coupled with growth in this sector.

(The comrade minister went on to add:) To make it possible to prepare for future developments in seeking to expand the geographic circle of maritime transport activity, the vessels department was separated from the maritime company and a company, called the Yemen Sea Lines Company, was founded in 1980 and entrusted with the task of managing the three vessels and of laying the foundation for expansion in transporting a larger part of the republic's trade. The Maritime Transport Cooperative, which used to operate a number of wooden vessels, was merged in this company. The company now runs these vessels, which carry goods to the republic's islands which do not have ports capable of accommodating ships and to some villages that are located along the coastline and are difficult to reach by land. This service is essential to population concentrations and it does not take financial profit into consideration. The Yemen Sea Lines Company has now trained national cadres who have gained broad experience as a result of shouldering the responsibilities of maritime transport since independence. These cadres have now been joined by youths who have gained knowledge and training and who are now on their way to gaining experience. It is a source of pleasure that this company, its cadres, and all its technicians and sailors have exerted and continue to exert great efforts to manage and develop the company.

#### Maritime Transport Projects

[Question] What are the maritime transport sector's projects implemented during the Second 5-year Plan, what are the projects carried over to this plan from other plans, and what will be completed in 1985?

[Answer] There are some projects which have been carried over from the First 5-year Plan to the Second 5-year Plan because of their great dimensions and their need for a longer time to complete. There are other

projects that have been completed and that are new projects included originally in the Second 5-year Plan, such as Khalaf Port in al-Mukalla, which cost 17 million dinars. This project was carried over from the First 5-year Plan.

These projects also include the Aden Port roofing at a cost of 211,357 dinars, another project carried over from the First 5-year Plan, and completion of the Second 5-year Plan, in addition to the project to replace the old equipment. This project is under the control of the Yemeni Port Authority and its costs have been estimated at 1,914,385 dinars. It is another project carried over from the First 5-year Plan. There is, moreover, the project to renew the installations in Aden Governorate. It is a project under the control of the Yemeni Port Authority, its costs have been estimated at 187,636 dinars, and it is one of the projects in the Second 5-year Plan.

There is the project to build housing for the loading and unloading of workers in Aden Governorate. The project costs amount to 1,632,029 dinars and it is one of the projects of the Second 5-year Plan. As for the projects of the Shipyards Company, there are two projects controlled by the company, carried over from the First 5-year Plan and completed during the Second 5-year Plan, namely the project to renew the main slipway at a cost of 76,084 dinars and the project to build new workshops in Aden Governorate at a cost of 129,347 dinars.

#### Development Spheres

[Question] To conclude, and before bidding the comrade minister farewell, we asked him: What are the horizons of development of the maritime transport sector in the short run and the long run and what are your proposals for the Third 5-year Plan on developing the maritime transport?

[Answer] Since independence, and until the end of the Second 5-year Plan, the maritime transport sector has developed in unhurried and deliberate steps which take into consideration the complexities of international maritime transport and the degree of state control of commerce and of the sources of this commerce. But the long-range strategic objectives of developing the sector--objectives derived from the party's and state's policy and compatible with the tendencies of complete planning of the economy--are the objectives of moving forward toward total control of the shipping of foreign trade, thus reducing the outflow of foreign currency going toward maritime transport costs and creating work opportunities for Yemeni labor. As for the methods and means of achieving these long-range objectives, they lie in putting the entire foreign trade sector under central control so that purchases may be made with the stipulation of delivery at the port of shipping and with a central authority given the task of making the arrangements for transportation. This central authority, which is our national maritime company, will then gradually arrange for the shipping to be done by ships belonging to a firm or firms owned jointly by our country and friendly countries. In this respect, we will conduct during the Third 5-year Plan a detailed

study on maritime transport with the aim of laying down the practical foundations and drawing up specific timetables to implement this strategy.

The comrade member of the Central Committee and minister of communications added that there is no doubt that these long-range plans will be formulated and implemented in cooperation with the comrades from the socialist bloc countries. He said that consultations are currently underway between our country's government and the government of the People's Republic of Bulgaria, which had sent a team of maritime transport experts who studied the sector, focused particularly on developing the Yemen Sea Lines Company technically and administratively, and offered good proposals which have been evaluated, studied, and molded into an exploitable and practical form. We expect a delegation from the People's Republic of Bulgaria to arrive very soon for discussions on setting up a joint maritime transport company between the PDRY and the People's Republic of Bulgaria. The two sides have prepared the points on which the discussions will be held.

As for the medium range, the comrade minister of communications said: In implementation of Political Bureau Resolution No 61/84 and of Resolution No 51/2/85 issued by the Central Committee's 15th Special Session, held in April 1985, the Yemeni Sea Lines Company has been instructed to make a study on purchasing a vessel bigger than the vessels it currently owns with the aim of expanding the sphere of its activity so that it may stretch beyond the nearby ports located on the Red Sea and Arabian Sea and the aim of taking control of a certain volume of foreign trade with specific countries exporting to the public sector.

The minister added: We expect a review to take place during the Third 5-year Plan as a result of the comprehensive study scheduled to be carried out so that we may proceed in clear steps and according to specific timetables that ultimately lead to achieving the approved strategy.

Concluding, Comrade Salih Abu Bakr ibn Husaynun, the Central Committee member and minister of communications, said that the commodity transportation sector is a fundamental sector which influences development. The economic planning cycle cannot be complete without planning and directing this sector. It is also a strategic sector that affects the people's economic lives and living standards. Therefore, in implementing the policies of our Yemeni Socialist Party, the ministry devotes major attention to this sector, gives special care to its growth and development, and views its workers with appreciation and pride.

8494/9604

CSO: 4404/106

AFGHANISTAN

JOINT SOCIO-ECONOMIC MEETINGS HELD

Kabul KABUL NEW TIMES in English 5 Nov 85 p 1

[Text] Kabul (BIA)--The 5th periodic session of the Afghan-Soviet sub-commission for planning held in the framework of the Afghan-Soviet Commission started here 10 days ago ended.

The sub-commission discussed during its sessions the issues related to improvement of planning and subsequent socio-economic growth of the DRA. At the end of a protocol was signed on Afghan-Soviet co-operation in the sphere of planning.

The basic aspects of socio-economic development of the DRA for the years 1986-90 were thoroughly worked out and assessed in the protocol which guarantees the subsequent development of the country under the conditions of the undeclared war of imperialism.

A spokesman for the State Planning Committee reported that based on this protocol the number of the permanent advisors helping the Committee in working out, arranging and running various planning spheres was registered. It was also agreed upon that gratis aid will be given to the DRA in the sphere of norm, standardization, balance of material goods, regional planning as well as sending of Soviet experts on a short-term basis.

The spokesman added that discussions also took place on providing better opportunities for training cadres in the special courses on planning inside Afghanistan and in the Soviet Union and further co-operation of the Soviet Union was attracted in this respect.

According to another report, the delegation of the Soviet Union led by Prusov V.V. that had come to Kabul for participation in the sessions of the Afghan-Soviet Sub-commission for Co-operation in the Sphere of Planning left for home yesterday.

The delegation was seen off at Kabul International Airport by Sayed Murtaza, the first Vice-President of the State Planning Committee.

/9317

CSO: 4600/175

AFGHANISTAN

SOVIETS PROVIDING ECONOMIC, TECHNICAL ASSISTANCE

Kabul KABUL NEW TIMES in English 12 Nov 85 p 3

[Text] The Soviet Union is helping Afghanistan build 213 enterprises and projects, more than one hundred of them are already in operation.

At present, Soviet organizations are rendering assistance to Afghanistan in developing the country's different sectors: industry, power generation, transport, communications, agriculture, public health and also in training national specialists. Work is being effected on expanding Hairatan port, restoring some sections of the Hairatan-Kabul highway, on reconstructing the technical systems of the Salang tunnel. Work is under way on building a residential district in Kabul. The construction of the USSR state border-Kholm-Mazari Sharif 220 KV electric power transmission line is nearing completion. Survey and design of the proposed Kholm-Pul-i-Khumri branch power line is being accomplished. Great attention is given to the efficient utilization of agricultural machinery delivered from the Soviet Union for machinery and tractor stations which showed a 30 percent of agricultural work increase in 1984 as against 1983. The training of machine operators continued. Assistance is rendered to the Democratic Republic of Afghanistan in organizing agro-chemical services, seed-controlling laboratories and artificial insemination stations. Prospecting for oil, gas and solid minerals is in progress.

Under the Agreement on Economic and Technical Co-operation between the USSR and the Democratic Republic of Afghanistan signed in February 1985 and other intergovernmental documents the Soviet organizations are to render assistance in organizing a base for carrying out emergency restoring and repairing operations on the electric power transmission line and substations of Kabul and other electric power systems of Afghanistan, in working out technico-economic substantiations for the construction of a cascade of hydro-electric power stations on the Kabul River, in assisting the restoration of some sections of Kabul-Hairatan highway in repairing avalanche-protecting tunnels and the roadway between Kalatak and Dushak. Reconstruction of Kabul Airport will be continued. In the vicinity of Kokcha irrigation system construction of a 2000 hectare cotton-growing state farm will be set up (including the necessary hydro-reclamation operations). The Agreement also provides for the construction in Kabul of the Bibi-Mahru residential area (total area up to 400,000 square meters), for modernizing Bagrami textile complex and Pul-i-Charkhi wool-spinning and weaving mill in Kabul.

For the economic assistance in building and streamlining these projects the Soviet Union granted the Government of Afghanistan a credit; also envisaged is the sending of Soviet specialists.

The implementation of the signed Agreement and other intergovernmental documents is opening a new important stage in Soviet-Afghan economic and technical co-operation that is aimed at strengthening the DRA key economic sectors.

/9317

CSO: 4600/176



AFGHANISTAN

CONSUMER GOODS PLANT REACTIVATED

Kabul KABUL NEW TIMES in English 6 Nov 85 pp 1-2

[Text] Kabul (BIA)--In order to encourage, support and control light industries for elevating the production level of commodities and consumer goods, the "Afghan Industries" enterprise which remained idle during the past few years has been re-activated at a capital of 62,000,000 Afs recently.

At present, the enterprise can produce laundry and toilet soap. In the future it is also to re-tread various kinds of tires for vehicles.

Previously, the enterprise was functioning a joint stock company and came to a standstill because of technical failure, shortage of personnel and profiteering of shareholders. On the basis of the decisions of the Ministry of Light Industries and Foodstuffs which made a comprehensive study of the enterprise, it was re-activated.

The enterprise which is equipped with the most up-to-date machinery for the production of soap and re-treading of tires is planned to produce 12 thousand tons of soap and to re-tread 15,000 tyres annually.

A spokesman for the "Afghan Industries" enterprise said "It is planned that after the completion of its required technical and vocational staff, doing away with the technical defects and provision of sufficient raw materials for the enterprise, its maximum daily production will exceed 6.6 tons of laundry and toilet soap.

"At present, the enterprise produces daily over one ton of toilet soap and in the near future it will start also the production of laundry soap.

"At the initial stage of its functioning, the enterprise will be re-treading annually 7,000 tires, which will be raised in the future to 15 thousand tires."

The source of the enterprise said that the outputs of the "Afghan Industries" enterprise are being sold to state institutions and enterprises. In the future, when the level of production is raised, laundry and toilet soap will also be put on sale through state-run booths co-operative magazines and in

the open market to stabilise the prices. The quality of the soap produced by the enterprise is better than the imported one, while the prices are reasonable.

One of the future plans of the enterprise is to set up a farm for the production of yoghurt and eggs for the workers and employees. The plan is already under way.

Ghulamjan, one of the experienced workers of the "Afghan Industries" enterprise said, "In the past, when the enterprise was being run by traders and capitalists, our destiny was unknown and our life aimless. However, now as a result of the attention of the party and the state and on the initiative of the Ministry of Light Industries and Foodstuffs, the enterprise has been reactivated and is run by the state. Working opportunities are being provided for us. Therefore we peacefully continue our work for our people and the state and try to raise our productions."

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CSO: 4600/176

AFGHANISTAN

#### AGRICULTURAL COOPERATIVES EXPANDING

Kabul KABUL NEW TIMES in English 9 Nov 85 pp 1-2

[Text] The Department of Agricultural Co-operatives Development with 368 co-operatives and a total capital of over Afs 28,134,000 is functioning throughout the country.

The Co-operatives have 60,152 members and an area of more than 97,000 hectares of land.

A source of the Department of Agricultural Co-operatives Development said to a KNT correspondent.

During the first six months of the current Afghan year (begun March 21, 1985) the department has newly established 19 agricultural co-operatives with a capital of more than Afs 700,000 in centre and provinces of the country. The total agricultural area under these co-operatives' activity reaches 2,790 hectares. These co-operatives have 1,504 members.

Similarly, 24 inactive agricultural co-operatives with capital of more than Afs 1,930,000 and the area under their cultivation reaches about 5,000 hectares, have been rehabilitated. These co-operatives have 4,693 members and have again started their activities.

During the first half of the current year the construction work of a co-operative in Kamari village of Bagrami district, Kabul province, has been completed and the construction of a poultry farm is also under way in the framework of the co-operative.

Likewise, the construction work of the basic establishments of the experimental co-operative in Zekrullah-e-Shahid of Jauzjan province has progressed by 50 percent and the establishment of a subsidiary livestock farm will be started soon.

The experiences gained from the co-operative of Zekrullah-e-Shahid have been utilized in ten agricultural cooperatives of Jauzjan province as well.

"In the current year, the agricultural experimental co-operative of Shabdiani in Nangarhar province infrastructure establishment of which will be started with the financial and technical co-operation of the state, has brought an area of 34 hectares of land under cultivation. The co-operative of Barma Ganj, in Balkh province, an area of 100 hectares of land and the experimental co-operative of Hufa Malik in Balkh district, into its own land, have brought an area of 40 hectares of land under cultivation. In the current year cotton has been grown on a portion of derelicted lands. The basic constructions of the co-operative will be completed by the state up to the end of the 3rd quarter of the current year.

"The agricultural co-operative of Tur-Bakhtu in Faryab province which covers an area of 34 hectares of land has been selected as an experimental co-operative and the construction of its infrastructure establishments is financed from the state development budget.

"During the first six months of the current year more than Afs 37 million have been distributed as credit for marketing supplying agricultural tools and implements through the credit sources to agricultural co-operatives and simultaneously an amount of Afs 17 million taken as credit by the members of co-operatives, has been repaid to the credit rendering departments.

"The Department of Agricultural Co-operatives Development has provided the opportunity to export an amount of 300 tons of pomegranate, 350 tons of wool, 7000 tons of grapes and 58,000 Karakul pelts to foreign markets. It has also sold about 4,000 tons of surplus products to the members of co-operatives and local markets and state institutions, indicating an increase of 10,830 tons compared to the first six months of last year and 8230 tons compared to the plan target.

The department has also collected an amount of 2450 tons of pomegranate, 450 tons of wool, 70 tons of walnuts, produced by the agricultural cooperatives to be exported through the Commerce Ministry.

The Department of Agricultural Co-operatives Development has sold about 4,000 tons of chemical fertilisers, over 66 tons of improved seeds, over 142 tons of pesticides, over 400 tons of cotton seeds and 200 boxes of silk works to the members of co-operatives in the centre and provinces.

An amount of Afs 1.1 millions as long term credits for establishing subsidiary farms has been given to the agricultural co-operatives.

"The department, during the same period, has set up 19 orientation courses for its staff in the centre and provinces, over 250 members have enrolled there.

"Similarly, for encouraging and appreciating the work and activity of the pioneer members of agricultural co-operatives in the centre and provinces,

13 of them were awarded honorary medals by Babrak Karmal, General Secretary of the PDPA CC and President of the Revolutionary Council of the DRA.

"For constructing the infrastructural establishments of the experimental agricultural co-operatives, totally more than Afs 5 million have been sent to Kabul, Nangarhar, Balkh and Faryab provinces from the developmental budget of the state.

"As a result of publicity work and better organizational activities, 87 members of the agricultural co-operatives voluntarily joined the ranks of the PDPA and 123 persons the NFF, 653 defence groups and 669 other social organizations.

"The attraction of 1,135 peasants to the membership of the co-operatives with a capital of Afs 470,100 and an area of 2,281 hectares of land under their management, makes up part of the activities of these co-operatives in some provinces.

"It should be mentioned that the drawing up and layout of the play and budget of two agricultural experimental co-operatives in Char Asiab and Bagrami districts of Kabul province with the cooperation in guidance of the joint delegations of the FAO and the fraternal country of Hungary have been started.

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CSO: 4600/175

BANGLADESH

ERSHAD INTERVIEW WITH BANGLADESH NEWS AGENCY REPORTED

Dhaka THE BANGLADESH TIMES in English 23 Nov 85 pp 1, 8

[Text] President Hussain Muhammad Ershad said in Dhaka on Friday the very fact that the seven leaders of one billion people of seven South Asian countries are sitting together is itself a success of the ensuing SARC summit to be held in Dhaka early next month.

In an exclusive interview with BSS the President said South Asian sub-continent was characterised by discord and distrust, rivalry and conflict and even open hostility. It was mainly because of colonial legacy, he observed.

Expressing his optimism about the summit, President Ershad said, "happily there has been a major shift from that environment in recent times. We are gradually moving from confrontation to conciliation. A climate of mutual understanding, peace and stability is fast taking shape."

The President attributed this "happy change" to the growing awareness among the countries of the region for collective approach to peace, stability and cooperation for the benefit of all of them and their people. Resources and energies drained out in hostility or useless tension can better be utilised for mutual benefit of the peoples of the region, he said, adding: "SARC is geared to this objective."

Giving his thinking as to how SARC will benefit the sub-continent, President Ershad said SARC is the most earnest effort by the countries of our region to collectively promote peace, stability and development in the region. "South Asia has long been a distinct region, but without the concept of a region. The seven countries of the region are quite different and distinct with their own identities and perceptions, and yet there are similarities, shared history, a regional identity and common aspiration and problems," he pointed out.

The President said through the institution of SARC, we hope to achieve two broad sets of objectives. The first was the promotion of functional cooperation in areas of common concern and the other was that SARC would allow these countries and peoples to know more about one another, which would diffuse tension, generate mutual confidence and expand the areas of cooperation for the benefit of no less than one billion people.

President Ershad said the SARC summit is significant because it will be the first summit meeting of our region in purely South Asian context.

President Ershad said inauguration of SARC is not an end in itself, but merely an instrument to achieve bigger goals. "There is no room for complacency."

Asked if SARC is to be developed like EEC, the President said no two regions had identical priorities, problems or constraints. "We do not think SARC as something static. It must continue to evolve and develop and adapt to changing times and requirements."

He said the shape it would eventually assume would depend on the governments and peoples of the SARC countries "What we have achieved up to now is only a beginning. We certainly envisage a more comprehensive role for SARC in times to come," he said.

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CSO: 4600/1250



BANGLADESH

# BEGUM ZIA SPEAKS AT BNP LEADERS' SPECIAL SESSION

Dhaka THE BANGLADESH TIMES in English 23 Nov 85 pp.1, 8

[Text] The two-day special session of Bangladesh Nationalist Party central leaders (BNP) ended on Friday with Begum Khaleda Zia in the chair.

The meeting took stock of country's political, economic and social situation. Mirza Golam Hafiz, Maj Gen (Retd) Majidul Huq, K.M. Obadur Rahman, Saifur Rahman, Barrister Abul Hasnat Col (Retd) Ali Ahmed, Barrister Rafiqul Islam, Khandakar Delwar Hossain, Mirza Abdul Halim, Dr Musharaf Hossain, Mr Shahjahan Omar, Barrister Najmul Huda, Mr Shamsul Islam, Mr Abul Kasem, Mr Nasrul Islam, Mr Afazuddin Fakir, Mr Abdul Matin Chowdhury, Mr Mujibur Rahman, Mr Harun-ur-Rashid, Mr Mokhlesur Rahman, Mr M.Hafiz, Mr Abdul Mamun Bhuiyan and other leaders, participated in the discussion.

Begum Khaleda Zia was critical of management of economy of the country, saying production had gone down. Law and order situation had deteriorated and people were suffering. She said that prices of essential commodities - specially rice, dal, oil, onion, sugar, had gone beyond the purchasing power of the people. Jute growers were not getting fair prices of the jute. But the prices of fertilizer insecticides and other agricultural inputs had gone up.

Criticising the disinvestment policy, Begum Zia said all nationalised profit earning banks were being given to private sector but no efforts had been taken to check the loss in public sector corporations.

Begum Zia said that power tariff was increased but no measure was taken to reduce the wastage of electricity.

Referring to five-point demand for the establishment of peoples government in the country, Begum Zia said that though the government was taking about holding election it was yet to restore fundamental rights of the people. She called for unity of all democratic nationalists and patriotic forces for the restoration of democracy and fundamental rights of the people. She urged the people to make the rally on November 28 a success. She also demanded the open politics before SARC summit. Since we want the success of SARC summit that is why we demand open politics before SARC summit so that we can prove that we are determined to establish democracy in all walks of life, she said.

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CSO: 4600/1250

BANGLADESH

LEADERS SPEAK AT INDIAN OCEAN PEACE ZONE WORKSHOP

Dhaka THE BANGLADESH TIMES in English 24 Nov 85 pp 1, 8

[Text] Deputy Chief Martial Law Administrator Rear Admiral Sultan Ahmed on Saturday said that the deteriorating political and security climate in the region intensified the urgency for the early convening of the scheduled Colombo conference of the UN to make Indian Ocean a zone of peace, reports BSS.

He was inaugurating a three-day international workshop on "Indian Ocean as a zone of peace."

Bangladesh believed that the active participation and full cooperation among the littoral and the hinterland countries, the major maritime users and the permanent members of the UN Security Council were essential for the success of the conference Rear Admiral Ahmed said.

Bangladesh's stand, he said, on different aspects of the proposal for creation of Indian Ocean as a zone of peace "is clear and unambiguous."

"We maintain," Rear Admiral Ahmed said, "that the zone of peace should cover the Indian Ocean, its natural extensions, the islands thereon, the ocean floor subjacent thereto, the littoral and the hinterland countries and the air-space above."

Bangladesh, he said, shared the concern expressed by the littoral and the hinterland countries in their 1979 report about foreign military presence in the region.

Humayun

Speaking at the workshop Foreign Minister Humayun Rasheed Chowdhury pledged Bangladesh's support to any effort to remove nuclear and mass destruction weapons from the Indian Ocean and free the area from big power rivalry.

The Foreign Minister also declared Bangladesh's strong support to measures to establish an "institutional framework within any universal collective security system" that could be worked out for resolution of disputes among the littoral and hinterland countries themselves.

It is in the spirit of fostering and promoting regional security and cooperation that Bangladesh has been undertaking persistent efforts to create a forum in the South Asia region, the Foreign Minister told the workshop jointly sponsored by the Bangladesh Institute of International and Strategic Studies (BIISS) and the New York-based International Peace Academy (IPA).

The Foreign Minister recalled the declaration adopted at the 26th UN General Assembly session which in the backdrop of "certain developments" expressed the determination of the peoples of the littoral and hinterland countries to preserve their independence, sovereignty and territorial integrity.

The UN declaration he said also expressed these countries' determination to resolve their political, economic and social problems under conditions of peace and tranquility.

"We have, however, observed with deep concern the escalating foreign military presence in the region and certain lack of responsiveness to enter into any meaningful consultations within the ad-hoc committee established by the UN General Assembly which would facilitate implementations of the declaration," the Foreign Minister said.

Describing the conclusion of the US Soviet talks in Geneva on a "positive note" the Foreign Minister hoped that the easing of international tension would, in the long run, help the task of translating the concept of the Indian Ocean peace zone into a reality.

The workshop is being participated by delegates from Afghanistan, Australia, Bhutan, India, Japan, Sri Lanka, Iraq, Canada, China, France, Singapore, Nepal, Mauritius, USA and Indonesia.

Chairman BIISS, former Foreign Minister Prof Shamsul Huq described the "zone of peace" concept as a non-military response to the threat posed by the East-West polarization and the consequent arms race and power rivalry.

BIISS Director General Brig M. Abdul Hafiz and President IPA Maj Gen (retd) Indarjit Rikye also spoke at the inaugural session.

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BANGLADESH

FOREIGN EXCHANGE RESERVE DROPS TO CRITICAL LEVEL

Dhaka HOLIDAY in English 15 Nov 85 pp 1, 8

[Article by Hassan Abul Quasem]

[Text]

The foreign exchange reserve of the government has declined alarmingly following the great surge in mainly non-development expenditure during the first four months of the current financial year.

The reserve position has now reached a very critical stage as the government, with its present reserves, is not in a position to meet even one month's import bills in line with the current import programme. The situation might explode if the government fails to make any additional arrangement with foreign donors.

Finance adviser Syedur Rahman has already sent a telex to the World Bank, requesting it to release the fund under import programme credit-13 (IPC-13) which is worth about 150 million US dollars. The World Bank did not clear this fund to Bangladesh because of government's apparent failure to meet the conditionalities as set forth in the agreement.

The World Bank is now negotiating the deal with Bangladesh in response to the request of the finance adviser to meet the emergency requirement of foreign exchange by the country.

RESERVE POSITION

The government currently has a total of 275 million dollars of foreign exchange reserve, of which about 13

million dollars is in the form of gold reserve, over one million in the form of special drawing rights (SDRs) and the rest as cash kept in the form of different foreign exchanges. This, however, includes 120 million dollars of foreign exchange which is deposited by a number of central banks of the Muslim countries as a gesture of friendship and goodwill after deducting this amount, Bangladesh will have a total cash reserve of 130 to 140 million dollars, implying a bare minimum of one month's requirement for imports.

The government now requires a total of about 400 crore takas (approximately 130 million dollars) to meet the import requirement which in recent months has increased considerably following the increase in non-development expenditure for import of various items and travelling of government officials abroad. The expenditure has already exceeded the allocations of foreign

exchange in different heads breaking down the discipline of foreign exchange budget during the first four months of the current fiscal year.

The Foreign Ministry and ministry of youth have already sought additional allocations of Tk. 50 lakh and 47 this month from the Finance Ministry to meet their excess requirements. Besides, the government will have to provide a substantial quantum of foreign exchange for the import of various security equipment, transports and other accessories for the South Asian regional Cooperation summit meeting to be held in Dhaka next month.

The Foreign Ministry has already spent their yearly allocation of Tk 50 lakh and the Minister of Youth spent about Tk. 30-40 lakh for the purpose of import of various equipment for the SARC games. Some other ministries are also pressing the Finance Ministry for additional allocation this year. This reflects an excessive foreign exchange expenditure by the government this year.

The concerned authority has already refused a proposal for the purchase of a radar by the Ministry of Defence at a cost of about 140 crore takas on the plea that the present scarce resources do not allow the authority to allocate more foreign exchange for the purchase of the radar.

A total of Tk. 90 crore is earmarked for monthly import of petroleum, oil and

lubricants in the import programme.

#### LESS REMITTANCES

The present reserve position has also been drawing down in view of a gradual decline in the inward remittances from abroad. The reserve position stood at 375 million dollars as on June 30, 1985 equivalent to 1.7 months of import requirements, implying a substantial draw down of reserves of around 140 million dollars than the fiscal year 1984. The foreign exchange reserve position was an all time low during the fiscal 1982.

The sluggish trend in imports might ease up the present worsening reserve position, according to government officials. But this might have serious repercussions on the economy at the end of the current year as the import of capital goods has been showing a declining trend.

#### NEGOTIATIONS WITH WB

The negotiations between Bangladesh bank and the World Bank on IPC-13 began at Dhaka last week. The IPC credit was suspended following Bangladesh's apparent refusal to accept the conditionalities of the bank. The negotiations were suspended last year and later resumed in March last. The IDA mission expressed its regret that Bangladesh has failed to take effective steps in the

preparation of IPC policy package. The negotiations on the IPC-14 is also on. A pre-appraisal mission of IDA also held discussion with government officials in last month. The IPC programme of the World Bank was intended to support the government's effort to strengthen fiscal management and planning through consolidating and extending reforms in budgetary process, implement policy and structural reforms in the agricultural sector and expediting project implementation. It has close linkages with the International Monetary Fund's structural adjustment programmes.

The IPC-13 conditionalities brought forth the whole gamut of investment and pricing policy including the budgetary planning and management, special provision in the ADP for operation and management head, interest rates structure, agricultural lending, credit recovery, appointment of consultants, upward revision of fertilizer prices etc.

According to available indications, Bangladesh has, of late, succumbed to the pressure of the World Bank. Most of the conditionalities would possibly be met during the current negotiations to avail of the 150 million dollars IPC equivalent to about Tk. 450 crore, according to a government official. An agreement might be signed in Dhaka shortly to this effect.

BANGLADESH

EXPORT EARNINGS DOWN DURING EARLY FISCAL YEAR

Dhaka THE BANGLADESH TIMES in English 24 Nov 85 pp 1, 8

[Text] Export earnings during the first four months of the current financial year ending October amounted to Tk 797.75 crore compared to earnings of Tk 747.14 crore during corresponding period of last year, showing an increase of about 7 percent Commerce Minister Kazi Zafar Ahmed said in Dhaka on Saturday, reports BSS.

He was presiding over the meeting of Board of Management of Export Promotion Bureau said in a press release.

While reviewing the performance it was noted that progress has been made in non-traditional sector particularly frozen food and agricultural products showed increase of 31 percent and 120 percent respectively over the corresponding period of last year.

Due to glut in the international market our traditional sector, particularly jute sector, could not show expected performance during first four months of the financial year which is likely to cover up in future, the press release said.

On the other hand non-traditional sector's growth has shown an increase of 38 percent in term of Taka, 21 percent in dollar terms and 18 percent in volume.

The Minister who is also Chairman of the board reviewed different policy measures adopted by EPB for augmentation of export. In this regard, the Minister particularly mentioned the different product and market development strategies EPB has taken up and showed his satisfaction over the progress. He also urged EPB and other concerned officials to work with national spirit for increase in export earning.

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CSO: 4600/1251

BANGLADESH

MIDEAST DEMAND FOR BANGLADESH MANPOWER DECLINING

Dhaka THE BANGLADESH TIMES in English 23 Nov 85 pp 1, 8

[Text] The oil-rich West Asian and North African (WANA) countries have been showing declining interest in recruiting Bangladeshi manpower for employment in those countries in recent years. The situation may go worse in the near future if realistic measures are not taken to train up people for employments in the Middle Eastern countries.

Besides the Gulf countries Syria, Libya, Algeria and Nigeria began to recruit Bangladeshi nationals in large scale in 1976 the majority of the expatriate manpower being unskilled ones. But since these countries are switching over from infrastructure building objectives to economy building ones the demand for unskilled manpower in these countries is declining fast.

During the period 1976-1984 a total of 3,28,250 Bangladeshis had secured employments in the WANA countries and the monetary restrictions imposed by the governments of these countries, many Bangladeshis make remittances through American and other foreign banks. So remittances assume a triangular route shrouding the real source, the report added.

According to the report, the share of remittances in the country's total foreign exchange earning has been increasing very rapidly and in 1983-84 it constituted a share as large as of 42.76 percent surpassing the earnings from the country's traditional raw jute goods.

Pointing to the role played by remittances in the country's economy the study said that it had been providing considerable succour to the country's deficit balance of payment, the extent of such deficit coverage being 39.20 percent in 1982-83.

Major share of remittances was found to have been spent in purchasing lands and consumer goods like televisions, two-in-ones, refrigerators, ornaments and other expensive household items.

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CSO: 4600/1250



BANGLADESH

PAPERS REPORT OUTCOME OF INDO-BANGLADESH WATER TALKS

Irrigation Minister Talks to Newsmen

Dhaka THE BANGLADESH TIMES in English 24 Nov 85 pp 1, 8

[Text] Irrigation Minister Anisul Islam Mahmud said in Dhaka on Saturday a fresh-effort has started for a permanent solution to the Ganges waters sharing question between Bangladesh and India.

Talking to BSS on return from New Delhi after a five-day water talks with his Indian counterpart B.B. Shankaranand, he said he was optimistic about a permanent and mutually acceptable solution to the water problem.

At the meeting, the two Irrigation Ministers signed a new memorandum of understanding for sharing the Ganges waters for the three coming dry seasons.

They also set the terms of reference for a 12-month long joint study of the common river water resources.

The meeting was originally scheduled to conclude on Thursday had to be extended by a day so that the two sides could sign the memorandum and set the terms for the joint study as agreed between President Ershad and Indian Prime Minister Rajiv Gandhi in Nassau, the Bahamas, on October 18.

Although the basics were agreed upon at the highest level in Nassau, the Delhi talks had run into difficult grounds, the JRC sources said.

Mr Mahmud said the credit for reaching the understanding goes to President Ershad and Prime Minister Rajiv Gandhi.

The two Irrigation Ministers set up a four-member joint expert committee comprising the Irrigation Secretaries of Bangladesh and India and the engineering members of the JRC of the two sides to conduct the study which Mr Mahmud said started with the signing of the agreement in Delhi yesterday.

The joint study of the common river water resources will have to be completed by November 21, 1986 and the two Irrigation Ministers will review its progress after six months from Friday.

Mr Mahmud said the three-year memorandum for water sharing of the Ganges river would be on the same terms as the October 1982 Memorandum of Understanding (MOU).

The joint study, the Minister said, would seek to collect hydro meteorological data to find out the river water availability, points and locations for sharing the waters, sharing schedules and identify all schemes for sharing.

The joint study, he said, would go for alternatives not considered before.

The Irrigation Minister said that the Ganges augmentation would be a separate study which would take into consideration water availability within the Ganges.

Asked whether the arrangements reached could be described as satisfactory, Mr Mahmud said he would prefer to say he was himself 'satisfied.'

"My reaction is good," he added.

But basically, he said, it were President Ershad and Premier Rajiv Gandhi "who in their anxiety to solve the outstanding water problem and improve the relations reached the understanding in Nassau."

The Ganges water problem, he said, needs a permanent solution.

Leaves Delhi

Earlier message adds: Minister for Irrigation and Flood Control Mr Anisul Islam Mahmud left New Delhi on Saturday for Dhaka after four days of extensive meeting with his Indian counterpart that led to the signing of the Indo-Bangladesh Memorandum of Understanding (MOU) on the river water resources yesterday.

He was seen off at the Delhi airport by Indian Minister for Water Resources Mr B. Sankaranand and senior officials of the Ministry. Bangladesh High Commissioner in India Air Vice-Marshal (Retd) A.K. Khandker was also present at the airport.

#### Text of Talks Memorandum

Dhaka THE NEW NATION in English 26, 27 Nov 85

[26 Nov 85 p 3]

[Text] The Irrigation Ministers of Bangladesh and India signed on Thursday in New Delhi, their second Memorandum of Understanding (MOU) since October 1982, reports BSS.

The MOU was signed after a five-day water talks in the Indian capital.

The MOU official by release to press here on Sunday is as follows:

In pursuance of the understanding reached between H.E. Lt Gen H.M. Ershad, President of the People's Republic of Bangladesh and H.E. Sree Rajiv Gandhi, Prime Minister of the Republic of India during their recent meeting at Nassau, the Bahamas, the irrigation ministers of the two countries met at New Delhi from November 18 to 22, 1985 to set out the terms of reference of a joint study to be undertaken by experts of the two sides, of the available river water resources common to both countries, with a view of identifying alternatives for the sharing of the same to the mutual benefit including a long term scheme for augmentation of the flows of the Ganga-Ganges at Farakka and to sign a Memorandum of Understanding for the sharing of the Ganga-Ganges waters at Farakka for a period of three years commencing from the dry season of 1986 on the same terms as the 1982 Memorandum of Understanding.

It has already been recognised that the basic problem of inadequate flows of water in the Ganga-Ganges available at Farakka during the dry season imposes sacrifices on both countries, and that the long-term solution lies in augmenting these flows. At the same time, the need to arrive at an equitable sharing of the water available at Farakka has also been recognised.

Accordingly it is agreed to undertake a joint study with the following terms of reference:

(I) The objective of the study will be (A) to work out a long-term scheme or schemes for the augmentation of the flows the Ganga/Ganges at Farakka and (B) to identify alternatives for the sharing of the available river water resources common to both countries for mutual benefit.

(II) The study will be undertaken by a Joint Committee of Experts (JCE). The JCE will consist of the secretaries concerned of the two governments and the two engineering members of the Joint Rivers Commission from each side. The JCE will determine its own procedures and will take such other steps as may be necessary to ensure its completion within the time-frame of 12 months.

(III) the study will cover the following:

(a) Sharing the available river water resources common to India and Bangladesh.

(a) Ascertaining the available river water resources common to both countries based on the collection and analysis of available relevant hydro-meteorological data in both countries.

b) Study of alternatives for sharing the available river water resources to mutual benefit.

(c) Identification of the locations of the points of sharing of the rivers, periods of sharing and schedule of sharing where appropriate.

(B) Augmentation of the dry season flows of the Ganga-Ganges at Farakka.

Identification of scheme for the augmentation of the flows of the Ganga-Ganges at Farakka by the optimal utilization of the surface water resources of the region available to the two countries.

[27 Nov 85 p 3]

[Text] The following is the remaining part of the Memorandum of Understanding partially published in our Tuesday's issue.

The study will start immediately and will be completed in 12 months from the date of the present memorandum. There will be a review of the progress of the joint study at the ministerial level at the end of six months from the date of the present Memorandum of Understanding. At the end of the 12-month period, a summit level meeting between the leaders of the two countries will take place to take a decision on the scheme of augmentation of the flows of the Gange/Ganges at Farakka and the long-term sharing of the rivers.

It is also agreed that on an interim basis, the releases of the Ganga/Ganges waters available at Farakka for the next three dry seasons and the joint inspection and monitoring arrangements for this purpose will be as in annexure 'A.' It is further agreed that in the case of exceptionally low flows during any of the next three dry seasons the two governments will hold immediate consultations and decide how to minimise the burden to either country.

Signed at New Delhi on the 22nd day of November 1985 in two originals in English, each of which is equally authentic.

ANNEXURE--A  
SCHEDULE

Sharing of waters at Farakka between January 1 and May 31:

PERIOD	Flows reaching Farakka (based on 75 percent availability from ob- served data (1948-73))	Withdrawal by India at Farakka	Release to Bangladesh
(1)	(2) Cusecs	(3) Cusecs	(4) Cusecs
JANUARY 1-10	98,500	40,000	58,500
11-20	89,750	38,000	51,750
21-31	82,500	35,500	47,000
FEBRUARY 1-10	79,250	33,000	46,250
11-20	74,000	31,250	42,750
21-28/29	70,000	31,000	39,000
MARCH 1-10	65,250	26,500	38,750
11-20	63,500	25,500	38,000
21-31	61,000	25,250	35,750
APRIL 1-10	59,000	24,000	35,000
11-20	55,000	20,750	34,750
21-30	55,000	20,500	34,500
MAY 1-10	56,500	21,500	35,000
11-20	59,250	24,250	35,000
21-31	65,500	26,500	39,000

If the actual availability of waters at Farakka during a 10-day period is higher or lower than the quantum shown in column 2 of the Schedule it shall be shared in the proportion applicable to that period.

The joint inspection and monitoring of the above sharing arrangement shall be the responsibility of a joint committee consisting of an equal number of representatives of each side. The Joint Committee shall be constituted immediately and shall establish teams to be stationed at Farakka and Hardinge Bridge. These teams shall record at Farakka the daily flows below Farakka Barrage and in the feeder canal and the flows passing daily at Hardinge Bridge. The Joint Committee which shall decide its own procedures and method of functioning shall submit the data collected by it and its teams and a yearly report to both governments.

The Joint Committee shall be responsible for implementing the sharing arrangement. Any difficulty arising out of the implementation of the above sharing arrangements and of the operation of the Farakka Barrage shall be examined urgently by this Joint Committee and any differences

or disputes, if not resolved by the committee shall be considered by a panel of an equal number of representatives of the two governments to whom the Joint Committee shall refer the difference or dispute. If the difference or dispute remains unresolved by the panel, it shall be referred to the two governments for urgent discussion.

/9317

CSO: 4600/1251

BANGLADESH

SARC CULTURAL CONFERENCE ADOPTS RESOLUTIONS

Dhaka THE BANGLADESH OBSERVER in English 18 Nov 85 p 10

[Text]

Fiftyone recommendations were adopted on the concluding day of the four-day seminar on South Asian Regional Cooperation (SARC) in education science and culture organised by the United Nations Association of Bangladesh (UNAB) at a local hotel on Sunday.

The seminar was inaugurated earlier by Mr. Humayun Rashid Chowdhury Foreign Minister of Bangladesh on November 14 last. The seminar was participated by the delegates from Bangladesh, Bhutan, India, Nepal, Maldives, Pakistan and Sri-Lanka. A total of 39 papers were read out during the four-day seminar.

A consensus was reached at the seminar as to the need for cooperation among the countries of the South Asian region. It was felt that SARC would provide an appropriate forum for such cooperation. The participants at the seminar also suggested popularisation of home science through the cooperation of SARC countries. It also wished the success of the ensuing SARC summit.

Some of the recommendations are appended below: Education be included separately in the list of areas of cooperation among the SARC countries. Efforts be made by the national governments of the region to increase allocation of funds to the education sector to the level of five per cent of respective national product, steps for the national governments of the SARC countries to achieve mass literacy and to introduce

universal primary education, a SARC institution of adult education be established in one of the countries of the region, establishment regional and vocational education information service for the exchange of information and documentation on curriculum contents, learning resource materials, test times, monographs on research findings, surveys and case studies among other centres for South Asian studies be set up at least one institution of higher learning in each of the SARC countries, exchange programme of scholars and students and arrangements for training in various fields of education, adoption of planning for appropriate educational technology, measures be adopted for integration of female education with income generating activities, removal of the additional obstacles to women's equal participation in life consciousness raising programmes including revision of curricula and design of textbooks, establishment of science and technology wing headed by a scientist in the SARC Secretariat for monitoring and coordinating joint programmes in S and T and establishment of a centre for development, repair and maintenance of educational and scientific equipment in one of the SARC countries and setting up of a meteorological, oceanographical and ecological research and training in one of the SARC countries.

Presided over by Professor M. Shamsul Huq, Vice-Chancellor, University of Dhaka, the concluding day of the four-day seminar was addressed among others by Professor Ahmed Hasan Dani of Pakistan, Dr. Abdul Mazid Khan, former Education Minister of Bangladesh, Miss Chandra Gorang of Bhutan, Miss Rasheda Didi of Maldives, Mr. S. D. Pandey of India, Professor K. B. Singh of Nepal.

In his speech Professor Ahmed Hasan Dani eulogised the role of the United Nations Association of Bangladesh for holding this seminar for the promotion of science, education and culture among the SARC countries.

He remarked this seminar had immensely helped the members of the SARC countries to know, understand, learn and feel each other.

Professor Dani observed that the seminar is one of the greatest achievement of UNAB as its activities will reflect in the SARC countries. He added "we are human beings, but the big countries put constraints on others."

In his presidential speech Professor M. Shamsul Huq stressed the need for regional cooperation in the field of education, science and technology.

/9317

CSO: 4600/1246



BANGLADESH

BRIEFS

PERIODICAL PROHIBITED--The government has prohibited with immediate effect publication of any subsequent issue of the Bengali periodical titled "Satadal" printed, published and edited by A.L. Zahirul Hoq Khan from the Cme Press of 89 Kailash Ghose Lane, Dhaka-1 as well as 53, Dinanath Sen Road, Gandaria, Dhaka-4 for prejudicial articles appeared in its issue of July 1985. The articles to endanger the maintenance of good public order. The action has been taken under the relevant section and sub-sections of the Special Power Act 1974. [Text] [Dhaka THE BANGLADESH TIMES in English 24 Nov 85 p 1] /9317

CSO: 4600/1252

INDIA

RAJIV REMARKS ON ROUTE TO DHAKA REPORTED

Calcutta THE STATESMAN in English 10 Dec 85 p 1

[Excerpt] New Delhi, Dec 9--The Prime Minister, Mr Rajiv Gandhi, today dismissed as unfounded apprehensions that India would dominate the South Asian Association for Regional Cooperation as the largest country, reports PTI. "Everyone in SAARC is equal," he told reporters.

Mr Gandhi was speaking on board the special IAF aircraft shortly before landing in Delhi from the Dhaka summit. Otherwise it would not have been possible to establish SAARC, he said.

Asked about President Zia's remarks in an interview that India's dominant position could be a deterrent, Mr Gandhi said it was necessary to build confidence among nations participating in SAARC to remove such misconceptions.

Replying to a question about Pakistan's assertion that it did not have a nuclear weapon programme, the Prime Minister said there was circumstantial evidence that Islamabad was attempting to produce such weapons. "We have to wait and watch and exercise caution," he added.

Described the outcome of the SAARC summit as very good, Mr Gandhi said, the attitude of all the leaders who attended the Dhaka meeting had been positive.

Asked whether he had discussed the TULF proposals with President Jayewardene, the Prime Minister said he had not seen the proposals.

Stressing the need to strengthen economic relations among SAARC nations, Mr Gandhi said the pursuit of a new international economic order and the issues now before were important for the developing nations.

"We feel cheated, especially on textiles, in the Tokyo round," he added.

Replying to a question, he said India and Bangladesh had decided to sort out certain bilateral problems like the intrusion of the Chakma tribals.

/9317  
CSO: 4600/1271

INDIA

## REPORTAGE ON NEW GOVERNMENT IN ASSAM

### Cabinet Sworn In

New Delhi PATRIOT in English 25 Dec 85 p 1

[Text]

A 21-member Asom Gana Parishad Ministry headed by Mr Prafulla Kumar Mahanta assumed office today.

Governor Bhishma Narain Singh administered the oath of office and secrecy to Mr Mahanta and his team at a ceremony held at a packed Nehru Stadium.

The swearing-in-ceremony, held at a public place for the first time in Assam, drew a record crowd which greeted all the ministers with thunderous applause.

Chief Minister Prafulla Kumar Mahanta introduced to the public the newly elected AGP MLAs and members of Parliament.

Addressing a public meeting shortly after the swearing-in-ceremony, Mr Mahanta said that their government would do its best to justify the faith reposed in their party by the people. He sought the cooperation of all, including the Opposition parties, for the speedy and all round-development of Assam.

He described the AGP as a regional party with a national outlook and said that all sections of the society, including the minorities and those Indian citizens who had come from outside Assam would be treated without any discrimination.

He declared that the members of his Cabinet would not attend any public reception or foundation stone laying ceremony at least for a month and concentrate on their work.

Mr Mahanta thanked the people of Assam for giving the AGP a resounding

victory in the polls, and praised them for voting out the "infamous and illegal Government" that took office after the 1983 elections.

Most of the Opposition leaders and MLAs, including those of Congress were conspicuous by their absence at the function. Among those present at the ceremony were, Mr P Upendra, leader of Telugu Desam Party in Parliament and well-known journalist Mr Arun Shourie.

A notable absentee at the ceremony was Mr Biraj Sarma, who has been excluded from the Ministry.

Sheikh Mohammed, the Speaker of the dissolved Assembly was the only Opposition leader present.

The Ministers took the oaths in Assamese from a flower-bedecked platform specially built for the occasion.

Mr Mahanta was followed by Mr Phukan, who will also look after the excise portfolio, Mr Lalit Rajkhowa (food and transport), Mr Atul Bora (public works), Mr Bharat Narah (irrigation and tribal welfare), Mr Digen Bora (industry and power), Mr Surendra Nath Medhi (law), Mr Nagen Sarma (veterinary and animal husbandry), Mr Barki Prasad Telanga (labour), Mr Sahidul Alam Choudhury (municipal administration), Mr Chandra Arandhara (panchayat) and Mr Nilamani Das (agriculture and fisheries), all of them of Cabinet rank.

The seven Ministers of State were administered the oath collectively.

The Ministers of State are Mr Dipen Tanti (transport and labour), Mr Pradip Gogoi (parliamentary af-

fairs), Mr Anirudha Singh Chaudhury (welfare of backward tribes), Mr Jatin Mali (health), Mr Padmeswar Dole (panchayat), Mr Moti Das (agriculture and fisheries) and Ms Rekha Rani Das Boro (weaving and women welfare).

Mr Mahanta himself will hold charge of the newly created department of Assam accord implementation besides finance, health, general administration, employees and sports and forests.

The hour-long ceremony which began at 0930 hrs was punctuated with frequent applause from the crowd, which had waited patiently for three hours to watch the ushering in of the new look ministry.

Home Minister Bhriгу Kumar Phukan, the Parishad general secretary-in-chief, said the AGP's would be a people's government and reiterated the party's commitment to provide a strong, stable, and clean administration.

Mr Phukan asked the people to frustrate the designs of vested interests out to divide the State on the lines of race, religion and community, and appealed to all to work unitedly for building "a greater Assamese society".

Mr P Upendra, Telugu Desam MP, congratulated the AGP for its resounding success in the Assembly and Lok Sabha elections, and invited its leaders for the Desam's annual conference at Hyderabad in the first week of January.

He also conveyed greetings on behalf of Andhra Chief Minister N T Rama Rao on their success.

## Background on Officials

Bombay THE TIMES OF INDIA in English 22 Dec 85 p 9

[Article by Seema Guha: "Youths Who Make Up AGP"]

[Text]

GUWAHATI, December 21.

NOT even in their wildest dreams could the students who spearheaded the Assam agitation six years ago have perhaps thought that they would be the rulers of the state.

In the early days of the agitation, the students had taken the first steps at building up a mass movement with understandable nervousness. However, their views on two things were clear: repugnance towards all politicians, particularly of the Congress, and on the apolitical nature of their movement.

In fact, the former All-Assam Students' Union president, Mr. Prafulla Mahanta, and the general secretary, Mr. Bhriku Kumar Phukan, had made it clear on several occasions that they were not interested in politics and that they would retire from public life once the foreigners' problem was satisfactorily solved.

### SUDDEN VOLTE FACE

What is responsible for the volte-face by them as regards public life?

The Assam accord with which they were to bow out of public life had rejuvenated a flagging movement and catapulted them into the limelight. And for the next five years, armed with the popular mandate, they are expected to guide the destiny of Assam.

How will the young politicians do it is the question on everyone's mind now. Most of the former AASU leaders, elected to the assembly, are in their late twenties and early thirties. The majority of them are from lower middle-class families with a semi-rural background.

Neither Mr. Mahanta nor Mr. Phukan, the superstars of the movement, could claim intellectual capabilities of leftist revolutionaries, or

an ideological commitment. But both are sober, practical, honest young men.

They have been courted by opposition stalwarts such as Mr. A. B. Vajpayee, Mr. Ravindra Varma and Mr. Ramakrishna Hegde, but they have taken it in their stride and not been taken in by the adulation.

### NO SYCOPHANTS

While Mr. Mahanta and Mr. Phukan are liked by the former agitationists, there are no sycophants around them. The other AASU leaders such as Mr. Kartick Hazarika have made it plain that there is no question of backing everything an Asom Gana Parishad government would do. "If we find they have gone wrong we will be as critical of their performance as of any other government."

It now transpires that Mr. Mahanta and Mr. Phukan have been preparing themselves for a political career despite their denials. In retrospect, they seem to have done little else in the last few years.

The duo has frankly admitted they had little time to indulge in all those things young men are apt to. They have found time to choose their girlfriends at least. Mr. Mahanta, may get married while in office as chief minister.

### DISARMING HONESTY

Mr. Bharat Narah, a Mishing tribal from Lakhimpur district, is one of the most popular leaders of the AGP who is honest about his political ambitions. His boyish looks and exaggerated rhetoric against the Congress make him an instant draw at public meetings. Having held an important position in the AASU executive, he has always made it clear that he wants to carve out a political career for himself. He says with disarming honesty, "I can think of no other career for myself." (This he stated at a time when Mr. Mahanta and

Mr. Phukan were refusing to admit that they were to enter politics).

Another fiery orator, Mr. Atul Bora, who claims he was the father of AASU and who later fell out with the agitation leadership, has a mind of his own. According to him, he took over the organisation and breathed new life into it. Later, he joined the Purbanchaliya Lok Parishad and became the convenor of All-Assam Gana Sangram Parishad. He had refused to join the Assam bandh on August 14, 1984, on the foreign nationals issue. He was subsequently stripped of the position of convenor.

The Purbanchaliya Lok Parishad was not a signatory to the Assam accord. Its leaders claimed that they were not consulted. They dubbed the accord a betrayal of the people of Assam. Today Mr. Bora does not wish to remember past bickerings. He is all set to work for the successful implementation of the accord. But how long the honeymoon among the former agitation groups that comprise the AGP lasts remains to be seen.

During the formation of the AGP at Golaghat, the Purbanchaliya Lok Parishad nearly walked out of the meeting, but was prevented from doing so through the mediation of the AASU think-tank, Mr. Brindaban Goswami. He has meticulously planned and led the movement from the start.

While Mr. Mahanta and Mr. Phukan hogged the newspaper headlines, Mr. Goswami remained in the shadows. Every important decision during the movement was taken only after consulting him. In fact, the Golaghat political convention was exclusively Mr. Goswami's show. Many people in the state would like to see him take over the mantle of chief ministership.

/13046

CSO: 4600/1292

INDIA

#### RESOLUTION OF CPI EXECUTIVE MEETING REPORTED

Calcutta THE STATESMAN in English 10 Dec 85 pp 1, 9

[Text] New Delhi, Dec 9--The Central leadership of the Communist Party of India has criticized the Marxist Communist-led Left Front Government in West Bengal for setting up of a number of joint industrial projects in collaboration with monopoly houses and multinationals.

The Central Executive Committee of the CPI which met here between December 4 and 7, said in its resolution the rival Marxist Communist-led Government's industrial policy "is grievously misguided" since collaboration with the multinationals in the joint ventures projects would weaken the country's public sector. The policy would help "strengthen the monopolies, transnationals and impair our efforts at national self-reliance."

The CEC resolution of the CPI, which obviously embarrasses the CPI(M) central leadership on the latter's Leftist credentials, also noted with concern that its State Government's industrial policy was passed by the recent West Bengal State Conference of the CPI(M), approving the setting up of such joint ventures. The move had naturally attracted criticism from Left and other circles, within West Bengal and in other parts of the country. It was also to be noted that the CPI(M) led Government's policy contradicted the Left Front's own programme.

Besides, the CPI resolution pointed out the West Bengal Left Front Government's new policy would also disarm the Left's struggle against the economic policy of the Congress(I) Government on weakening of the public sector and opening up the market to the transnationals which has received new impetus under Mr Rajiv Gandhi. "It would give the Congress (I) a handle to justify its own wrong policies and encourage non-Congress (I) State Governments run by regional and other bourgeois Opposition parties to embark on such a course, the resolution said.

Having condemned the CPI(M)-led Government's industrial policy, the CPI's CEC resolution went on to say, in an obvious attempt to soften its criticism, that the Central discriminated against West Bengal and refused to invest in some industrial ventures in the State. For instance, despite assurances on the floor of Parliament after long persuasion the Centre had turned down the proposal for collaborating with the State in setting up a petro-chemical complex in Haldia.

However, the CPI central leadership still felt that people looked up to the CPI(M)-led Left Front Government in West Bengal in the hope that it would be a pace-setter in the direction of projecting progressive alternatives as opposed to "bourgeois policies, even in difficult conditions." This applied also to working out and implementing a policy for comprehensive industrial development and increasing employment opportunities. It had to be worked out through wide democratic consultations.

The CEC meeting was presided over by Mr Phani Bora, veteran leader of the Assam unit of the party. It discussed and adopted two documents: the review of political and economic developments and the party's activities since the Varanasi Congress (1982) and the political resolution on current national and international development and tasks.

These are draft documents for the coming party Congress which is going to be held at Patna from March 12 to 17, 1986. These documents will be placed before the National Council which is meeting from December 18 to 22, 1985 in Delhi. After these, the documents will be released to the party ranks.

/9317

CSO: 4600/1271

INDIA

WRITER EXAMINES POLITICAL SITUATION IN KERALA

Bombay THE TIMES OF INDIA in English 22 Dec 85 p 9

[Article by K.T.R. Menon: "Cong. Made To Eat Dust in Kerala"]

[Text]

TRIVANDRUM, Dec. 21.

**W**ITH the Congress virtually shelving the mid-term poll proposal, the curtain has fallen on yet another episode of the unending political drama in Kerala.

The Indian Union Muslim League (IUML) and the Kerala Congress are elated over their success in jointly forcing the Congress to surrender. On the other hand, the Congress after its initial show of supremacy, is licking its wounds.

But the real loser is the United Democratic Front (UDF), whose credibility has suffered one more blow. The earlier confrontation between the Congress and the Kerala Congress and their sudden reconciliation had already tarnished its image.

#### SALVAGING IMAGE

The Congress is now busy trying to salvage its position. It is engaged in bilateral talks with its partners on proposals said to be aimed at "refurbishing the image of the alliance and ensuring greater cohesion".

Observers, however, feel that little more than an agreement to stop mudslinging at one another is likely to emerge from the confabulations.

The possibility of a cabinet reshuffle is considered remote. Even earlier, the proposal was never discussed seriously, with the three major partners realising soon enough that it might create more problems than it could solve.

The Congress itself was largely responsible for the latest crisis. Though the party and the Kerala Congress decided to bury the hatchet after the latter's "rail roko" agitation last month, relations between the two were far from cordial.

A section in the Congress felt that the UDF could not continue to rule effectively without a change in its set-

up. They felt the Front's image had been damaged beyond repair.

It was in this context that they started, in the chief minister's words, "thinking aloud" about a mid-term poll. They were of the view that the UDF stood a better chance of defeating the Marxist-led alliance at this stage than at the end of its term in May 1987.

They made no secret of their displeasure at the manner in which the Kerala Congress had gone ahead with the "rail roko" agitation (against the Centre's alleged "indifference" towards the state) and started asserting its independence in other ways, causing an embarrassment to the Congress. They feared that if the Kerala Congress and the IUML were not "restrained", the fate of the UDF might be sealed before long.

There was also a view, shared by the Pradesh Congress president, Mr. C. V. Padmarajan, that the so-called "Marxist threat", which had led to the formation of the UDF in the first instance, had "disappeared". Mr. Padmarajan himself suggested that it was time the UDF set-up was reviewed.

Another section of Congress men, belonging mostly to the erstwhile A. K. Antony faction, however, was of the view that a snap poll was unwarranted. They feared that the opportunity might be used by the chief minister to eliminate former Congress (S) men from top positions in the party and the government.

#### DIFFERENT VIEWS

The IUML and the Kerala Congress felt that if at all the Front found a mid-term election unavoidable, it should go in for it only after improving the relations among the partners.

They suspected, not without reason, that the Congress was trying to strengthen its position at their cost.



The Congress presumably feared that the two parties, which had grown stronger following the merger of rival factions might increase their political clout further by May 1987.

The keenness of the Congress to hold the election towards the end of January particularly irked the Kerala Congress. With the Pope scheduled to visit the state in the first week of February, Congress leaders apparently reckoned that the Kerala Congress which mainly represents Christians, would not take any step which might throw it of power. It would, as such, be more amenable than in the past on matters like seat allocation.

The CPM convention in Cochin last month also indirectly emboldened the Congress. The Marxist leader, Mr. E. M. S. Namboodiriod, declared categorically that his party would never join hands with the Kerala Congress and the IUML which he described as "sectarian and communal".

#### **PASSING THE BUCK**

While avoiding any public reference to a mid-term elections, the Congress moved in that direction. Senior party leaders, who met in Cochin early this month, authorised the chief minister,

Mr. K. Karunakaran, to make whatever decision he deemed fit.

Their gesture was not so much a tribute to Mr. Karunakaran's political sagacity, as a device to place the entire responsibility on his shoulders for the poll outcome. They did not want to associate themselves with a step which involved the risk, however, slight, of the Congress losing the only southern state ruled by it.

Though somewhat unnerved initially, the IUML and the Kerala Congress, soon regained their composure and decided to jointly resist the Congress move. The strategy paid off. The Congress was forced to retrace its step. The small partners, whom the Congress had ignored disdainfully, threw their entire weight behind the two parties.

Thus, the Congress, which set out to make itself stronger, through a fresh election, found itself isolated and was humbled by its junior partners. However, the party though defeated temporarily, is unlikely to remain subdued for long. It is bound to come up with an alternative strategy, sooner than later, to reassert its supremacy.

/13046

CSO: 4600/1291

IRAN

# MONTAZERI FACED WITH OPPOSITION AS SUCCESSOR TO KHOMEYNI

Paris LIBERATION in French 20 Dec 85 p 26

[Article by Safa Haeri: "The Guide's Son Is Seeking His Way"]

[Text] It is difficult to succeed Khomeyni while he is alive, even with the blessings of the official bodies of the Islamic Republic. Ayatollah Hossein Ali Montazeri, designated as the future "Guide of the Revolution" by the "Assembly of Experts," admitted himself that such a nomination was erroneous and asked the august body to revise its decision.

Ayatollah Montazeri's designation had triggered the criticism of numerous Iranian religious dignitaries, big and small, and a real opposition movement in the theological centers of Qom, Mashhad, Isfahan and Tehran, where both the procedure followed in this nomination and the personality of the nominee were questioned.

Hossein Ali Montazeri holds a modest seventh or eighth rank, according to the specialists, among several dozen ayatollahs, in the Shiite Islamic hierarchy, and is far behind the six "Ozma ayatollahs," the greatest ones, who alone can claim to "guide" the nation of the faithful.

It was Ayatollah Sadegh Rohani, one of the latter, who had denounced for the first time publicly, from the "holy" city of Qom, 27 November last, the error made by the "Assembly of Experts." Thus, according to Shiite theology, no individual or assembly has the right to designate one "ulema" to replace another as long as the latter is alive, for such a procedure could only throw confusion into the minds of the faithful, who all have their own "guide" to emulate and cannot replace him as they wish.

It is only at the death of the "guide" or of an "ozma" ayatollah that his "emulators" could freely choose another. It is for this reason, apparently, that in his "letter" Ayatollah Montazeri appealed twice in his "most ardent" prayers to the Almighty to keep Imam Khomeyni alive as long as possible. The content of that letter was made public Tuesday last on the occasion of a communique issued by Ayatollah Montazeri's office, asking his supporters to cancel two demonstrations planned for Wednesday and Friday, intended as a show of popular support of the decision of the "Assembly of Experts."

According to religious sources in Qom, Montazeri's retinue had resigned itself to the cancellation of the demonstrations for fear of provoking clashes between supporters and opponents of the future "guide" of the revolution. The communique provides no details on Montazeri's letter, but the likelihood is that it was written subsequent to Ayatollah Rohani's statements.

The latter, who is, precisely, one of the "great" ayatollahs and enjoys substantial influence in Qom, had, among others, accused the experts of having imposed "this gentleman" (Montazeri was not mentioned by name) "as the future guide of the revolution and the nation," by following a procedure "which strangely resembles that of communist regimes." Ayatollah Montazeri seems to acknowledge in his letter, implicitly at least, that there are "greater" ayatollahs than himself, for which reason he does not wish his name to be "mentioned," adding that "since contrary to my sincere wish I was presented with a fait accompli, I ask of all students, the clergy and the other classes to be kind enough to cancel the planned demonstration in support of my nomination."

Nevertheless, according to some Iranian clerical circles, the 60-odd members of the "Assembly of Experts" would not have chosen Montazeri without the advance assurance that the imam would have liked the nomination of this person as his successor. However, Ayatollah Khomeyni has still not confirmed the experts' decision nor mentioned it in recent speeches. According to those same sources, after consulting with Imam Khomeyni, that same assembly could reconfirm its first choice, specifying that it is also the choice of the great ayatollahs of this world.

Be that as it may, Ayatollah Montazeri's "letter" could be taken as an acknowledgment of a real victory for the conservative trend within the Iranian Shiite hierarchy. Eventually, however, it would not fail to trigger a lively response on the part of the revolutionary faction of the clergy. This is an embryonic crisis for the time being, which could prove to be threatening Shiite Islam.

5157

CSO: 4619/18

IRAN

# MONTAZERI UNCHANGED BY POSITION, PROUD OF HUMBLE ORIGINS

Paris LIBERATION in French 20 Dec 85 pp 26-27

[Article by Assaad Haydar, Lebanese journalist, writing for the weekly AL MOSTAKBAL, published in Paris, author of a recent report from Iran: "Montazeri, an Ayatollah From the Soil"]

[Text] A frail appearance, a round face framed by a well trimmed white beard, eyes shining behind thick lenses, a relaxed smile, and rare simplicity and humility which, according to some, indicate naivete, such is the picture of Ayatollah Montazeri, whose designation 22 November last, by the "Assembly of Experts" ended the struggle for Khomeyni's succession. Sixty doctors of law chose him, in effect, to succeed the "Guide" of the Islamic Republic.

The real surprise contained in this decision was not, actually, that of the choice itself, for the identity of Khomeyni's successor had long been known, but its timing. Such a declaration, while the imam was still living, risked to cast a doubt concerning the mental and physical capabilities of the Guide of the Revolution. Furthermore, the Assembly of Experts faced the difficulty of choosing among the ulemas (high religious dignitaries) those who would guide the revolution had they failed to agree upon a single choice. The (numerous) candidates had ample reasons to postulate their participation in the group of ulemas, bearing in mind their erudition, position in the religious hierarchy and their political authority.

The Assembly of Experts appears to have finally opted for a "radical" solution, the minority opposing Montazeri's choice having had to submit to the majority decision, the more so since according to religious sources in Qom, the "nays" did not exceed seven. However, the religious and political circles considered above all the fact that the successor to the Guide of the Revolution had to be known before the latter's death if a "war of succession" was to be avoided, which would have allowed trends hostile to the religious institution to profit from the situation and to create chaos within the Islamic forces.

Finally, there was the personality itself of Ayatollah Montazeri: loudly proclaiming that which the masses think silently, a person proud of his peasant origin. "My father," he keeps repeating, "continues to irrigate the land with his own hands." He has not changed in the 6 years since the

revolution. I was able to see this in the course of our four meetings, first in 1978, in Paris, where he had come for the first time after spending 4 years in the Shah's jails and 10 years of exile, interrupted by several detentions and tortures, the marks of which are visible to this day. This was the price of a youth marked by loyalty to Khomeyni whom he had joined in Najaf, in Irak.

Last September, I saw no change in him, when we met again, in Qom, in the small thickly carpeted room that serves as his office, where clerics and representatives of the imam come to see and speak respectfully and deferentially to this person who, day after day, is becoming the most popular person in the country.

As a "pure and hard" revolutionary, he has gained the respect of the believers, who are very conservative in their majority. As the spiritual father of the "revolutionary Guards," he is allied with the country's strongman Hodjatoleslam Hashemi Rafsanjani.

"Montazeri will not make a second revolution," circles close to Khomeyni's successor explain. "Not being atheistic, the current regime does not have to be overthrown with a revolution. Nevertheless, it has made mistakes. The development of a conflict among the different trends and political forces, aimed at gaining positions within the state machinery led the leaders of the Islamic Republic to conceal errors which have grown to the point of triggering a real gap between the state and the revolution. Therefore, it is a question of re-establishing the balance of forces within the state through gradual reforms."

Religious circles close to Montazeri specify: "The errors were made because revolutionaries did not assume the key power positions from the very beginning, allowing the Muslim liberals, who had adequate cadres to fill the vacuum caused by the fall of the Shah and thus take over the administrative apparatus of the Islamic Republic."

In this context, the trend set by Prime Minister Hosein Musavi who, according to circles close to Montazeri, represents a popular and revolutionary trend within the state, could strengthen him, as could National Assembly President Hashemi Rafsanjani, who is perfectly familiar with the rules of the game in the State and knows how to manipulate them perfectly.

What is left is Ayatollah Montazeri's "program." As early as 1979, he was asking, in the field of economics, "as Abu Zar Al Ghaffari (the Prophet's companion--editor) says, for water, fire and pastureland to belong to everybody." This meant that that which today corresponds to these three elements should be nationalized. The ideological debate among the various power factions has prevented so far the resolution of the four major problems in this area. This will be accomplished after Montazeri comes to power.

By claiming that "the land belongs to those who work it," Montazeri, who had supported the occupation of the land by the poor peasants at the beginning of the revolution, clearly indicates the line of agrarian reform he intends to follow. Although supported by the religious conservatives, the nationalization of trade clashes against the hostility of the bazaar

merchants. Furthermore, it is a question of "defining the limits of the private sector," which should be narrowed to the advantage of the public sector. Finally, desirous of expanding the cooperative system, Montazeri would like to organize a more controlled economy "aimed at satisfying the poorest strata."

As to the war with Irak, those close to Montazeri maintain that he is "opposed to the way it is developing." This is clear: Guided by Ayatollah Montazeri, the state of the Islamic Revolutionary Republic of Iran, which has been seated for the past few years in the holy city of Qom, will be different from that of the first Islamic Republic. Although the choice of Montazeri as Khomeyni's successor would prevent a war of succession from breaking out and recognizes the "Willayat al Faquih" -- government by a sage -- concept, it would unquestionably not stop conflicts within the state, where the various political forces keep struggling for maximum power.

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CSO: 4619/18

IRAN

SELF-EXILED AYATOLLAH CRITICIZES CHOICE OF MONTAZERI

Paris LIBERATION in French 20 Dec 85 p 27

[Article: "Ayatollah Montazeri Is Not a True Shiite"]

[Text] Ayatollah Montazeri is not a Shiite. Is this a revelation? Is it an accusation? It is a simple theological established fact, calmly asserts Dr Mehdi Rohani, an ayatollah in exile, considered the "spiritual chief" of Shiites in Europe. This 48-year old Iranian cleric, who sought asylum in France because he rejects the rule of Imam Khomeyni, equally rejects the decision of the Assembly of Experts' designation of Hossein Ali Montazeri as the future "Guide of the Islamic Revolution," after Khomeyni is gone.

First of all, he explains, a supreme leader must be a Shiite, acknowledging by this token the infallibility of the 12 imams members of the Prophet's family. This is the main difference in Islam between the Shiites and the Suni. He who denies this infallibility could be good a Muslim, but certainly not a Shiite. Yet Ayatollah Montazeri wrote a preface to a work which was published some years ago in Iran, which questioned the infallibility of Hussein, the third imam. A great deal of theological subtleness is required to be able to follow Dr Rohani's thesis in its entirety. Briefly summed up, it is as follows: the questionable work, which was written by one Nadjafabadi, is a commentary on the martyrdom of Imam Hussein in Karbala, which is considered a basic feature of Shiite tradition. One of two things, the author claims: Either Hussein, in going to Karbala knew that he was to be assassinated by the Khalif Yazid, in which case he was sinning against the Koran, which prohibits suicide. Or else Hussein did not know it, which means that he was not infallible.

Such is the book, therefore, to which, according to Dr Rohani, Ayatollah Montazeri had lent his "imprimatur" by writing in his own hand that "all that I have read in this work is true," therefore supporting the questioning of the infallibility of the most revered imam. Theologically speaking, "Montazeri is no Shiite. However, Mehdi Rohani has other grounds for objecting to the "guide" designated by the Assembly of Experts.

"I know Montazeri better than does his own father," the exiled cleric goes on to say. "We studied together under Borudjerdi, and I must say that he is certainly no genius. His religious knowledge leaves a great deal more to be desired and entitles him to a second rank among the high clergy. No less than



40 years of study are needed before reaching the rank of the great ayatollahs. Montazeri has never spent that much time."

Furthermore, according to Dr Mehdi Rohani, Shiite law forbids the nomination of a supreme leader as long as the one whom he will replace is still alive. "We have five ayatollas of the same rank," he specified, "and we have no right to name a sixth. It is only after one of them dies that the question could be discussed. No one has the right to decide before the right time." Ayatollah Khomeyni, his young colleague concluded, "is certainly a man of the law, a philosopher, a true learned man. Montazeri has not a single one of these qualities."

Mehdi Rohani, whose elder brother, Dadeh Rohani, is precisely one of the five great Iranian ayatollas, denies wanting to overthrow the current Islamic regime. "All we want is to eliminate its excesses" which transformed the Islamic revolution into a "cruel dictatorship." The homage paid to Khomeyni is not entirely cloudless even though this religious opponent admits that the imam "has a popular base in Iran, despite the claim that he is ruling by force." Had it been a "classical political system," he adds, "it would have fallen a long time ago."

In this context, Montazeri's nomination, "opposed by 90 percent of the clergy," Mehdi Rohani claims, could not only be against the laws and traditions of Shiite Islam but a "political error." With this decision, Dr Rohani believes, the "Experts" have automatically removed the great ayatollahs from the stage, thus depriving even further the clergy which collaborated with the Islamic regime of the opportunity to survive the death of its founder.

5157

CSO: 4619/18

PAKISTAN

'NO WAR' PACT TALKS SAID 'DISTURBING' TO AJK PEOPLE

Karachi DAWN in English 11 Jan 86 p 2

[Article by Azad Kashmir]

[Text]

LAHORE, Jan 10: Sardar Sikandar Hayat Khan, Prime Minister of Azad Kashmir, said here on Friday that his party, All Jammu and Kashmir Muslim Conference, was committed to the liberation of Kashmir and its accession to Pakistan. He, however, expressed the opinion that the people of Azad Kashmir felt disturbed on hearing about a no-war pact with India from whose subjugation the valley was to be freed.

Addressing a reception hosted by the Lahore branch of his party, the Azad Kashmir leader said that he had been able to evolve a consensus of the people of Azad Kashmir on the issue irrespective of their political affiliation. He said it was easy to talk about the liberation of Kashmir but very difficult to secure it because of certain "international complications like the Simla Accord and the United Nations resolutions".

Sardar Sikandar Hayat, who is also the President of the Muslim Conference, resented the statement attributed to Ms Benazir Bhutto that Kashmiris themselves should fight the war of liberation of Kashmir. He said she has probably forgotten the assertion of her late father who had declared his determination to fight with India for a thousand years. According to him, the previous government in Azad Kashmir had tried to shelve the is-

sue. He pleaded for better coverage of the Kashmir question by the media in Pakistan adding that with a view to representing the vital issue, the Azad Kashmir government would set up its own information centres in Pakistan.

Sardar Sikandar Hayat opposed an autonomous status for Kashmir and said that it was an unwise demand as in such a situation the valley would not be in a position to maintain its sovereignty because of the proximity of three big powers in the region. He was of the view that affiliation of an independent Kashmir with Pakistan was the only answer to the issue for which his party would continue its struggle.

Earlier, Mr Ghulam Husain Karmani, Deputy Speaker of the Azad Kashmir Assembly, assured the Kashmiri refugees in Pakistan that the problem of their settlement would be solved soon. He said that he had already submitted a report to the government.

The city President of the Muslim Conference, Raja Afrasiab Khan advocate, announced that an international convention on the issue of Kashmir would be convened soon. The convention would be attended by eminent lawyers from all over the world, he added.

**CALLS ON NASRULLAH KHAN:** Sardar Sikandar Hayat also

called on Nawabzada Nasrullah Khan at his Nicholson Road residence on Friday morning. The two leaders exchanged views about political situation in Azad Kashmir.

Malik Meraj Khalid, a leader of the Pakistan People's Party, also met the Nawabzada. The PPP leader explained to the veteran politician the outlines of the report of the MRD committee on the proposed permanent organisational structure.

/12828

CSO: 4600/180

PAKISTAN

MINISTER DEFENDS MUSLIM LEAGUE ACTIONS

Karachi DAWN in English 11 Jan 86 p 1.

[Text]

LAHORE, Jan 10: Federal Justice Minister Iqbal Ahmed Khan said here on Friday that the current organisational activities of the Muslim League were within the ambit of law.

Talking to newsmen at a local function, he said that other parties were also free to organise themselves.

Explaining the legal position, the minister said that all the political parties had been banned under Martial Law, and on the day of the lifting of Martial Law they did not exist in the eye of law.

To gain legality, he said, the parties will have to get themselves registered with the Election Commission. And for this purpose, they will have to go through the formation process. On completing the formation process, they will have to apply for registration within a period of one month as provided under the Political Parties Act.

Mr Iqbal Ahmed Khan said that the Muslim League was currently passing through the process of formation which was completely lawful.

The Justice Minister said that the present government sincerely desired to bring about an unadulterated democracy in the country. For this purpose, it would strengthen the democratic institutions and promote the democratic process.

Clearly stating that there was no possibility of mid-term elections, he said that in fact the Government wanted the political parties to organise themselves on true democratic lines till 1990, when the next elections were due.

During this period, he said, the political parties could gain maturity and would be ready to accept the result of the elections with an open mind. He pointed out that in the past, the country had suffered because the parties refused to accept the election results.

Strongly refuting the charge that the Muslim League was pressuring the people to join its ranks, Mr Iqbal Ahmed Khan said that to him the political views of an individual were part of his faith. A party which used pressure to make people join its ranks could not become a true democratic political organisation, he believed. —APP

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CSO: 4600/180

PAKISTAN

MUSLIM LEAGUE: IMPENDING ROLE AS 'RULING PARTY' VIEWED

Karachi DAWN in English 10 Jan 86 p 17

[Article by Sultan Ahmed]

[Text]

THE first test of how democratic the civilian Government is may not be how it deals with its political opposition but how it brings about the rebirth of the Muslim League as a ruling party.

In a democratic order the party which wins the elections forms the government and seeks to implement its manifesto. But now we are to see the reverse of the government forming a party, more like the proverbial cart before the horse. This is not an unfamiliar exercise in Pakistan.

This is to be done quickly, following the end of martial law, and a large majority ensured for the League party in the National Assembly, and simultaneously in the provincial assemblies. So the task of organising the party has not been left to a Minister or MNA. Instead Prime Minister Junejo has taken upon himself that task. And the Chief Ministers are to do likewise in the provinces.

Mr. Junejo is to be the leader of the Parliamentary party in the National Assembly as well as President of the national party outside, succeeding Pir Pagaro who has offered to quit in his favour. And Mr. Junejo is reported to have told the Punjab MNAs in Lahore that the office-bearers of the reorganised League would be from among members of Parliament only.

### Dual advantage

This has a dual advantage for the PM. If the MNAs who join the League now cannot defect without forfeiting their seats because of the new Political Parties Act, they are even less likely to think of defecting when they are chiefs of their party in their provinces or regions.

Indisputably the MNAs can organise the League in their areas better than many others because of their increased authority and financial powers. If they are to head the new anti-corruption councils set up in their districts, issue gun licences and recommend persons for jobs, have the advantage of a free telephone, can distribute Qarz-e-Hasna for about Rs. 1,10,000 and development outlay to the extent of Rs. 50 lakh to Rs. one crore in their areas is to be made at their bidding, they can wield considerable authority in the rural areas which form 70 per cent of the country.

Of course, the issue has arisen, particularly in the Punjab and Baluchistan, whether Pir Pagaro can gift his office as President of PML to anyone else. Earlier he had offered the League office to President Zia, but he declined that. Understandably as long as he is Chief of Army Staff he cannot be come leader of any political party.

Because of the resistance Pir Pagaro has been facing from the Punjab League, and even his Secretary General S.M. Zafar, Pir Pagaro has decided to quit after holding that office for over ten years.

But, properly, the League Central Council has to accept his resignation and elect Mr. Junejo as the new President formally before he can function as the party chief. But it appears that this process will be delayed until after he mobilises a clear majority in the National Assembly and possibly wins a vote of confidence.

The question again arises as to how can the League Council meet and elect a chief if all parties stand dissolved, as the official contention is? That means the League will have to apply for registration with the necessary documents before its re-birth becomes legal for official purposes. Will the preliminary registration be done immediately after it applies for it and will it take sometime? What is done in respect of Muslim League can become a precedent for others. Hence the Election Commission cannot be too hasty. But the picture will not become clear until the rules to be framed under the parties act are published.

The results of one person, combining the office of Prime Minister and President of his national party have been bad for the Government, party and the country in the past, regardless of whether it was a League or PPP setup. Must we repeat the same unhappy exercise now? In such a setup it will be the Government which will be directing the party, and not the party, the Government. The interest of the rulers or demands of the Government will prevail over the party, and not the mandates of the party over the Government.

Under such concentration of official and political authority what is left of the Federal structure may be undermined further. Whether it was in the Muslim League or PPP regime, Chief Ministers in the provinces were changed arbitrarily, not through official Federal directives but by changing the party leaders in the provinces. So what was wrong constitutionally, was achieved through political manipulation. The Prime Minister as the national party chief was able to direct provincial parliamentary parties whom they should dump as Chief Minister and whom to have as his successor.

Do we want to repeat all that even after the third spell of martial law — this time as long as eight-

and-a half years? If the federation is to last the Federal structure must be respected not only through constitutional framework but also through the administrative and political means.

Whether it is in the parliamentary setup of Britain or the presidential setup of the U.S., the party leaders are different from the persons holding the top offices. At the annual party conference in Britain the Government has a difficult time; but the Prime Minister emerges clearer about where the party stands.

Of course, there has to be a considerable gap between the Government and the party anywhere. Governments think of the possible and pragmatic within their own limitations, political, administrative and financial, while the parties think of the idealistic and what is popular, essential and urgent. In a healthy political system the Ministers try to educate their party members about their difficulties, while the party leaders communicate to the Ministers what the people want and their temper. This two-way exchange is helpful both to the party and the Government, and can reduce the gap between them. But if the Prime Minister is the national party chief as well, is the scope for such a continuous dialogue and the Government dominates the party.

In India combining both the offices produced some serious setbacks to the Congress Government. Mrs. Indira Gandhi imposed her cronies as Chief Ministers as well as state Congress chiefs. She wanted only trusted men, but such men were often not popular or competent, and at times absolutely corrupt, like Mr. A.R. Antuly in Bombay. As a result, after losing Kerala and Tamil Nadu earlier, she lost Andhra Pradesh and Karnataka to regional parties in the south. And in the aftermath of that policy, her son has lost the Punjab and Assam but has prudently accepted the electoral verdict readily.

Admittedly, if a leader will not permit democracy within his party he will not have much of democracy in the country when he forms the government. And if he does not believe in holding regular party elections he may not have national elections, or hold both of them in an unfair manner. And if he does not

believe in consensus at party meetings, he may not seek consensus at Cabinet meetings or the Parliament, and may too often impose his will on them.

### League plank

In such an environment we have seen a five-year plan being delayed so that it could come out as the ruling party's manifesto first. And now the chairman of the Planning Commission, Dr. Mahbubul Haq, is to formulate the new League manifesto, which sounds more like the current five-year plan.

Experience has shown that it is a misnomer to call such parties as ruling parties. They become, in fact, rulers' parties. That was how Mr. Mohammad Ali (Bogra) was accepted by the Muslim League as Prime Minister and then as party president after he was flown in from our embassy in Washington, following the outrageous manner Khawaja Nazimuddin was sacked by Ghulam Mohammad. As he became Prime Minister through the courtesy of the Governor-General, the next year when the Constituent Assembly was dissolved and he was made more of a nominal Prime Minister with the inclusion of Gen. Ayub and Maj-Gen. Iskander Mirza in the Cabinet.

Later Iskander Mirza as President promoted the birth of the Re-

publican Party, but formed unnaturally as it was, it had to flounder. So he swept off that party and imposed martial law, and got swept off by his collaborator Gen. Ayub Khan as CMLA within three weeks.

During the PPP regime if Mr. Z.A. Bhutto was not chairman of the party and Prime Minister, the legislatures and the party could have exercised some checks on him. Instead he was supreme in both the areas, resulting in the anticlimax of July 5, 1977.

Realising what happens to a party when it comes to power Mao Zedong said: "The party shall command the guns and not the guns the party." But in Pakistan the approach to public life has been too subjective and personalised. More than one party leader in Pakistan has said that he is the party. But soon after that neither the party was really there nor he on the scene. Do we want a tragic repetition of all that all over again after 8½ years of martial law?

Instead of making legislators elected on non-party basis Muslim Leaguers through coercion or large rewards, the best solution is to hold general elections on party basis next year. That is the only right way to have a party Government, and not the current pressure-cooker approach to have majority party to back the hitherto non-party Government.

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CSO: 4600/179



PAKISTAN

MUSLIM LEAGUE: OLD WORKERS SAID DISMAYED BY PARTY'S NEW ROLE

Karachi DAWN in English 11 Jan 86 p 2

[Text]

LAHORE, Jan 10: While the Pakistan Muslim League, headed by Premier Junejo, is in the process of being reorganised, its office-bearers and workers are beginning to have doubts about their future in politics. The way legislators are being made League members, an altogether PML may emerge. However, those at present in the League have been asked to join the PML anew and prove their credentials for party office.

Some of the party leaders are, however, optimistic about the role of Pir Pagara, who, "in a tricky manner" has not tendered his resignation but has only "vacated" the office of President for the Prime Minister. Some leaders think that the Pir continues to head the PML and "can take over the party any moment he likes", some of the party leaders are willing to resist the "hijacking" of the party. One such leader told *Dawn* on Thursday that "If a party in the name of Muslim League is registered with the Election Commission by any person other than Pir Pagara and without the existing organisational setup, it will be the fourth Muslim League".

According to Mr S.M. Zafar, the Secretary-General of the Muslim League, all office-bearers and workers will cooperate with Mr Junejo, who is now heading the organisation, if the party is organised in accordance with its constitution and the office-bearers and workers are accommodated. He said that Pir Pagara had "vacated" the office for the Prime Minister to enable him to reorganise the party countrywide. But the step should not unseat other office-bearers.

The party's Secretary-General is, however, of the view that he expects no potential resistance to "the coup".

Contrary to these views, Sheikh Iftikhar Ali, the Punjab General Secretary, is of the opinion that the Pir's action to hand over the party leadership to the Premier was not in accordance with the PML constitution which provided for election to all offices. Second, Pir Pagara could not make any nomination while as retiring as President, "all these acts are not above doubt", he said adding that the Pir's claim that he was the head of a defunct party, was neither legal nor factual. It was, however, correct that he did not tender a resignation to the league's Council.

About the new development, he said that the legislators and the office-bearers had different views about the PML setup and its leadership, this led to a cleavage and the legislators thought of bypassing the existing setup as it suited them. "It appears from the new setup that a party seeking registration shall be a new party. Authors of the new legislation seem to have forgotten that they are causing irreparable loss to the League".

About Pir Pagara's departure, Sheikh Iftikhar Ali, Secretary-General of Punjab PML said that "at the moment there are about 40 MNAs who can claim to belong to the League in a house of 237. This number is so insufficient to form a ministry. Those sitting on the fence would like to be shareholders in power but want to first secure their position viz the existing setup.

Sheikh Iftikhar Ali said the League's constitution laid down that a Minister or Chief Minister should not hold any executive office, would not suit some of the Ministers who also wanted party positions. These were the circumstances under which a method was evolved under which the legislators would have full control of the League.

Another League leader, Sardar Abdul Vakil Khan, a former Deputy Inspector-General of Police, has said that if Pir Pagara contested presidential elections he would quit the party and join the PPP. He was of the opinion that by appropriating the Muslim League, the Government wanted to break it up. He said that party workers would not accept any organisation without the Pir Pagara as its head.

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CSO: 4600/180

PAKISTAN

SBPF TO ORGANIZE ACTIVITIES IN PAKISTAN

Karachi DAWN in English 11 Jan 86 p 10

[Article by Azad Kashmir]

[Text]

LONDON, Jan 10: The principles committee of the Sindhi-Baluch-Pushtoon Front at a meeting in Essex last week finalised the organisational structure for the Front inside Pakistan, and delegated "all the necessary powers in this behalf" to the convener for Pakistan, Mr Mumtaz Bhutto, who had announced at the Front's seminar in London last month that he would go back to Pakistan after the lifting of Martial Law.

He was not available in London today, but sources close to him said he was awaiting word from friends in Pakistan before finalising his programme.

The Front's principles committee meeting, whose decisions were released here today by Mr Abdul Hafeez Pirzada, the Front's Secretary-General, also prescribed the functions and duties of various committees and office-bearers, and laid down rules regarding disputes and discipline.

Mr Mumtaz Bhutto has been authorised to nominate a 150-member central council, the central committee and office-bearers including three deputy conveners, a general secretary, two deputy general secretaries and three state (nationalities) organisers.

It is proposed to have state councils and organising committees, district and city organisations, tehsil/town/city area committees and the primary unit organisations. The number of primary units is estimated between five and six thousand.

The organisation is to be completed within one year, and thereafter each primary unit is to elect two delegates to the three conventions of nationalities. These conventions will elect three state councils each consisting of 150 representatives, and also elect 50 persons from each nationality to the central council. The central council will then elect the central office-bearers and the central committee. The state councils will hold elections to the subordinate organisation and committees.

The principles committee will present a draft constitution for the Front before the elected central council for its approval and adoption.

The principles committee unanimously approved the appointment of two executive committees — one for "Pushtoon nationality" and the other for "Sind nationality". The first committee includes Dr Altafur Rahman, Dr Irshad Ali Shah, and Mr Shawas Khattak. The other comprises Mr Aslam Bhuj and Dr Saifullah Nizamani. It also appointed Mr Karim Baloch as the Front's Information Secretary.

The committees also approved appointment of conveners of the Front in Holland, Sweden, Denmark, West Germany, United States, Jordan, Saudi Arabia, Kuwait and the UAE.

PAKISTAN

## REPEAL OF RESTRICTIONS ON PRESS URGED

Karachi DAWN in English 9 Jan 86 p 5

[Text]

NOW that Martial Law has been lifted and civilian rule restored in the country, the question of Press freedom — and the role of the Press in a democratic society — has again moved to the fore. Speaking to newspaper editors last week, Prime Minister Junejo expressed the hope that the Press would behave responsibly and with a sense of maturity in the post-Martial Law period. Valid as this observation is, it tends to overlook the fact that the national Press cannot seriously be faulted on this count. Indeed, its critics might say that at times it has been more "responsible" than required in not resisting the suppression of democracy and civil liberties. The trouble is that every government, whether civilian or military, tends to equate the country's interest with its own. An attack on its policies, however ill-conceived, becomes an attack on the national interest. Obviously, this is a twisted view and a self-serving argument. The primary question is one of Press freedom and it is here that one has a sorry tale to tell. Since the imposition of the first Martial Law in 1958 the Press has had a rough journey. Because its freedom clashed with the imperatives of "guided democracy," an elaborate structure was devised to gag and muzzle the Press and despite promises by every suc-

ceeding government to dismantle it, that structure remains in place till today.

Even if Martial Law Regulations are there no more, the Press and Publications Ordinance has armour and ammunition enough to take care of any publication considered "irresponsible" which, incidentally, is a favourite euphemism for anything judged inconvenient or unpalatable from the point of view of those in authority. Nor can it be forgotten that there is a vast segment of the mass media which is directly managed and controlled by the Government. In this category fall two English and two Urdu newspapers and one Sindhi daily, some of these having editions coming out from different news centres. Also part of the governmental mass media empire is the main news agency. Finally, the Government holds the monopoly of the electronic media — normally a most potent means of mass communication. Again, more journalists are employed in all these officially controlled mass media organisations taken as whole than are on the employ of the newspapers outside the domain of governmental ownership and control. There are subtler levers of control as well. These include the power to restrict newsprint quotas and withhold Government advertisement from dissenting newspapers.

Press advice, in many respects more insidious than blatant censorship, has come to be accepted as a fact of life. Section 499 of the Criminal Procedure Code is a glaring example of the very many hazards the uncertain profession of journalism is regularly exposed to. It provides for prosecution for defamation even if the news in question is true and its publication is in the public interest.

Apologists for authoritarianism have sedulously propagated the notion that the Press seeks to be above the law. This is a blatant untruth. The Press has certainly opposed and will continue to oppose all emergency laws under which the Executive acts as both accuser and judge in dealing with the mass media and journalists. But the Press has never opposed a trial before an ordinary court of law under the country's normal laws which, incidentally, were made by the British and can, therefore, never be supposed to err on the side of the people's rights. The British-made laws cover every conceivable form of undesirable conduct or crime which Authority would like to prevent and punish. These ordinary laws are by no means liberal and it would, indeed, have been highly advisable to subject them to the searchlight of scrutiny in order to liberalise them in keeping with the libertarian urges of a free society. The question was raised by the Press soon after independence and, indeed, formed part of the terms of reference of the Press Commission. But the question became wholly irrelevant when Gen Ayub's authoritarian Government promulgated in 1962 the Press and Publications Ordinance, whose slightly amended 1963 version is still in force. It must be mentioned here that the so-called democratic Government of the People's Party which ruled for five-and-a-half years

never responded to the demand made by the editors and journalists to repeal this Draconian law and felt no qualms about invoking it against newspapers and editors. This is something which would never be excused or condoned. The law was retained by the Martial Law authorities although, being in possession of unlimited powers of imposing curbs and penalties, they did not need it. However, there is one great improvement they made. They amended the British-made law of libel, which even the imperialists had deemed adequate to their needs, and in doing so, have made it thoroughly perverse and wicked by eliminating the plea of the truth and disclosure in the public interest as valid defence on the part of the accused in a charge of libel.

Where freedom of the Press, or for that matter any of the basic freedoms and rights, is concerned, good intentions and assurances are not enough. It is not sufficient to say, as the Federal Information Minister did recently, that the Government has no programme to curb freedom of expression. One might say that there is a hint of condescension in this observation. Freedom is not a favour conferred by a gracious dispensation on an undeserving Press. It is a right to which the press is entitled in any free society. Nor can it be considered a luxury in a society struggling to set up representative institutions. Without it the tender plant of democracy simply cannot grow. So if we are really trying to turn a fresh leaf in our history, the civilian Government should give serious thought to the question of repealing those laws (black by any definition) which restrict the freedom of the Press. As long as they remain on the Statute Book this freedom will remain a very tenuous proposition.

PAKISTAN

BIHARIS' IMMEDIATE REPATRIATION URGED

Karachi DAWN in English 10 Jan 86 p 10

[Text]

KARACHI, Jan 9: Lord Ennals said here on Thursday that the stranded Pakistanis in Bangladesh should be repatriated to Pakistan without delay.

Speaking at a reception hosted by Mr Ahmad E.H. Jaffer, President of the English Speaking Union of Pakistan, to mark the silver jubilee celebrations of the ESU, he said there was a "warm purpose in the minds of the people to come to Pakistan and have the citizenship they conceive is theirs."

Lord Ennals, who is championing the cause of refugees since World War II, hoped that the Government of Pakistan would decide to go ahead with the repatriation process as the financing part has been taken care of.

He said an international trust had been created with Prince Talal bin Abdel Aziz, nephew of the King of Saudi Arabia, as Chairman, and Admiral (ret.) Mohammad Sharif of Pakistan as Vice-Chairman, and that it was in a position to give international bank guarantees to prove that the money was there (278 million dollars for the repatriation and resettlement over a period of three years).

He said he would be leaving for Dhaka in about two days to visit the

refugees in camps.

**AFGHAN REFUGEES:** Lord Ennals said that during his visit to Afghan refugee camps near Peshawar, he saw many refugee women rehabilitated on a permanent basis and some 3,000 of them have been employed in factories located in the camping area, working and not depending on the "hand-out assistance."

The women are working in factories and producing quilts, handicraft items, jewellery making and uniforms for school children in camps. These income generation schemes were suggested by him during his last visit 14 months ago and the refugees, the Government and the world agencies are doing a very good job, he said.

Earlier, Mr Ahmed E.H. Jaffer, in his welcome address, praised the role of Lord Ennals for the cause of refugees.

He said the stranded Pakistanis in Dhaka should be provided assistance by the Bangladesh Government as Pakistan is looking after the Afghan refugees.

Lord Ennals will visit Orangi Township on Friday afternoon to meet Biharis and talk to local leaders. He will be accompanied on the visit by the area MNA, Mr Afaq Shahid.

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PAKISTAN

BRIEFS

PUNJAB PLANS INDUSTRIAL ZONES--Industrial zones will be established in rural Punjab to check the large-scale migration of workless peasants to the cities. According to official sources, a high level meeting will be held here on Jan 12 to finalise the modalities of the scheme estimated to involve over Rs 15 Billion to start with. Roughly, each industrial unit will cost at least Rs 500 to 800 million. The number and type of industries will be finalised at the meeting which will also be attended by legislators and planning experts of the provincial government. The proposed industries will mainly be agriculture-based and will create job opportunities for over 200,000 people. The provincial government may have to approach the Federal Government to secure the finances required. [Text] [Karachi DAWN in English 10 Jan 86 Business Supplement p I] /12828

CSO: 4600/179

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